

AGENDA
REGULAR MEETING OF COUNCIL
November 9, 2017
6:30 PM

1. ROLL CALL
2. READING OF MINUTES
3. REPORTS & COMMUNICATIONS FROM MAYOR & HEADS OF DEPARTMENTS AND INTERESTED PARTIES AND CITY CLERK'S NOTES:
 - 3.A MINUTES OF THE REGULAR MEETING OF THE LACKAWANNA COUNTY LAND BANK HELD OCTOBER 13, 2017.

[Lacka County Land Bank Meeting 10-13-17.pdf](#)
 - 3.B CHECK RECEIVED NOVEMBER 8, 2017 FROM COMCAST IN THE AMOUNT OF \$267,137.57 FOR QUARTERLY FRANCHISE FEE PAYMENT.

[Comcast check for Quarterly Franchise Fee Pmt 11-1-17.pdf](#)
4. CITIZENS PARTICIPATION
5. INTRODUCTION OF ORDINANCES, RESOLUTIONS, APPOINTMENT AND/OR RE-APPOINTMENTS TO BOARDS & COMMISSIONS MOTIONS & REPORTS OF COMMITTEES:
 - 5.A MOTIONS.
 - 5.B FOR INTRODUCTION – AN ORDINANCE – AUTHORIZING THE ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES, SERIES OF 2018 IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,750,000; PROVIDING FOR THE DATE, INTEREST RATE, MATURITY DATE, REDEMPTION

PROVISIONS, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTES; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION NAMED THEREIN FOR THE PURCHASE OF THE NOTES; NAMING A SINKING FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE NOTES AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTES.

[Ordinance-2017 Tax Anticipation Note 2018.pdf](#)

- 5.C FOR INTRODUCTION – AN ORDINANCE – APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2018 TO AND INCLUDING DECEMBER 31, 2018 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2018.

[Ordinance-2017 Operating Budget for 2018.pdf](#)

- 5.D FOR INTRODUCTION – AN ORDINANCE – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A TRAIL MAINTENANCE AGREEMENT BETWEEN THE CITY OF SCRANTON AND LACKAWANNA HERITAGE VALLEY AUTHORITY FOR THE MAINTENANCE AND UPKEEP OF THE LACKAWANNA RIVER HERITAGE TRAIL (THE "TRAIL").

[Ordinance-2017 Trail Maintenance Agreement for LHVA.pdf](#)

- 5.E FOR INTRODUCTION – AN ORDINANCE – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE THE DEED CONVEYING TITLE FROM THE CITY OF SCRANTON PARKING AUTHORITY TO THE CITY OF SCRANTON, THE PROPERTY LOCATED AT 100 REAR SOUTH WASHINGTON AVENUE, SCRANTON, PENNSYLVANIA TO THE CITY OF SCRANTON, AS MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

[Ordinance-2017 Deed for Property at Rear 100 South Washington Ave.pdf](#)

- 5.F FOR INTRODUCTION – A RESOLUTION – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AN ADDENDUM TO THE CONTRACT BETWEEN THE CITY OF SCRANTON AND CC CLEANING SERVICES FOR JANITORIAL SERVICES FOR SCRANTON CITY HALL AND THE SCRANTON POLICE HEADQUARTERS.

[Resolution-2017 Addendum to CC Cleaning Svcs Contract.pdf](#)

6. CONSIDERATION OF ORDINANCES - READING BY TITLE

- 6.A READING BY TITLE - FILE OF THE COUNCIL NO. 121, 2017 – AN ORDINANCE – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A LEASE AGREEMENT WITH GAR MEMORIAL ASSOCIATION (“GAR”) TO EXTEND THEIR CURRENT LEASE WHICH IS SET TO EXPIRE ON NOVEMBER 28, 2017 FOR AN ADDITIONAL YEAR FOR A PORTION OF THE BASEMENT OF CITY HALL TO BE USED AS EXHIBIT AND MEETING SPACE.

[Ordinance-2017 Lease Agreement with GAR Memorial Association.pdf](#)

- 6.B READING BY TITLE - FILE OF THE COUNCIL NO. 122, 2017 – AN ORDINANCE – AMENDING FILE OF THE COUNCIL NO. 65, 2016, AN ORDINANCE ENTITLED “GENERAL CITY OPERATING BUDGET 2017” BY TRANSFERRING \$14,499.00 FROM ACCOUNT NO. 01.401.13090.4299 (NON-DEPARTMENTAL EXPENDITURES CONTINGENCY) TO ACCOUNT NO. 01.020.00000.4201 (OFFICE OF THE CITY CLERK/CITY COUNCIL-PROFESSIONAL SERVICES) TO PROVIDE SUFFICIENT FUNDING FOR THE PAYMENT OF FINANCIAL OBLIGATIONS THROUGH THE 2017 BUDGET PERIOD.

[Ordinance-2017 Transfer \\$14,499 to City Council Professional Services.pdf](#)

- 6.C READING BY TITLE - FILE OF THE COUNCIL NO. 123, 2017 – AN ORDINANCE – AMENDING FILE OF THE COUNCIL NO. 65, 2016, AN ORDINANCE ENTITLED “GENERAL CITY OPERATING BUDGET 2017” BY

TRANSFERRING \$200,000.00 FROM ACCOUNT NO. 01.401.13090.4299 (NON-DEPARTMENTAL EXPENDITURES CONTINGENCY) TO ACCOUNT NO. 01.051.00082.4448 (DEPARTMENT OF LICENSING, INSPECTIONS & PERMITS-BUREAU OF BUILDINGS PAWC-WATER) TO PROVIDE SUFFICIENT FUNDING FOR THE PAYMENT OF PAWC-WATER INVOICES THROUGH THE 2017 BUDGET PERIOD.

[Ordinance-2017 Transfer \\$200K to LIPS PAWC-Water.pdf](#)

7. FINAL READING OF RESOLUTIONS AND ORDINANCES

7.A NO BUSINESS AT THIS TIME.

8. ADJOURNMENT

**LACKAWANNA COUNTY LAND BANK
REGULAR MEETING MINUTES
October 13, 2017**

RECEIVED
NOV - 8 2017
OFFICE OF CITY
COUNCIL/CITY CLERK

The regular meeting of the Lackawanna County Land Bank was held on October 13, 2017 in the Commissioners' Conference Room, 200 Adams Avenue, Sixth Floor, Scranton, Pennsylvania.

At 10:00 am Chairman O'Malley called the meeting to order and all joined in the Pledge of Allegiance.

ROLL CALL

Roll Call was taken by George Kelly (member)
Commissioner O'Malley (Chairman) - Present
Henry Deecke - Present
Linda Aebli - Present
Marion Gatto - Present
Terrence McDonnell - Present
Steve Pitoniak - Present

Also present were Atty. Joseph Colbassani, Land Bank Legal Counsel, Ron Koldjeski, Deputy Director of Tax Claim, Ralph Pappas, Business Relations Manager, Department of Economic Development and Margaret Piccotti, Assistant to George Kelly.

PUBLIC COMMENT ON AGENDA ITEMS ONLY

There were no comments made.

MINUTES

A motion was made by Ms. Linda Aebli and seconded by Mr. Terrance McDonnell to approve the minutes of the September 8, 2017 regular meeting as prepared and presented.

All in Favor

PRESENTATION of VOUCHERS for EXAMINATION and APPROVAL

A motion was made by Mr. Steve Pitoniak and seconded by Mr. Marion Gatto to approve voucher expenditures of September 8, 2017 through October 13, 2017, as presented.

All in Favor

DISCUSSION ITEMS

a) Bid Opening – 1305-1307 Price Street

Two bids were presented for 1305-1307 Price Street. The first bid in the amount of \$501 was submitted by Ms. Linda Grippa. The second bid in the amount of \$1501 was submitted by Mr. Kevin Coleman. Both are adjacent property owners. A motion by Mr. Henry Deecke and seconded by Mr. Terrence McDonnell was made and the bid for \$1501 from Mr. Kevin Coleman was accepted. Mr. Kevin Coleman will follow procedure and purchase 1305-1307 Price Street.

b) Land Bank Website

Mr. Ralph Pappas has been working with Steven Solon from our planning department and created a map featuring all the Land Bank properties located in the City of Scranton. Mr. Pappas has also prepared a Request for Proposal (RFP) to hire a professional firm to create an updated version of the county Land Bank website. A motion to release the RFP was made by Mr. Steve Pitoniak and seconded by Mr. Henry Deecke for Mr. Pappas to proceed with the request for proposals to hire a professional firm to set up the website.

c.) Blight to Bright:

Mr. George Kelly informed the board that he submitted an application thru the Monroe County Local Share Account requesting \$300,000 to create a program to address blight county wide. If funded, we would be able to create a Blight to Bright taskforce to address and demolish blighted properties. George Kelly also suggested having Town Hall meetings to inform the public of the funds we would have and how they could be used to improve the blighted properties. If not funded we will still address the situation but on a smaller scale.

ADVISORY COMMITTEE UPDATE:

a) Side Lot Applications – Adjacent Property Owners:

Mr. Ralph Pappas stated the Land Bank received 1 application for a parcel at 347-349 East Locust Street. It was received from Werner Shelski on August 7, 2017. Mr. Shelski owns and resides in the adjacent property located at 34 East Locust Street. The Advisory Committee recommended the application be approved.

The Land Bank received 1 application for a parcel at 914-916 Eynon Street. It was received from Mr. and Mrs. Patrick Lee on August 25, 2017. Mr. and Mrs. Lee own the adjacent property located at 912 Eynon Street. The Advisory Committee recommends the application be approved.

The Land Bank received 2 applications for the parcel located at 1305-1307 Price Street. An application was received from Linda Grippa on August 10, 2017. Mrs. Grippa owns the adjacent property located at 1315 Price Street, Scranton. The second application was received by Mr. Kevin Coleman on September 27, 2017. Mr. Coleman owns the adjacent property located at 1301-1303 Price Street. Both applicants were advised to submit sealed bids which were opened at the meeting on October 13th. The first bid in the amount of \$501 was received from Ms. Grippa. The second bid in the amount of \$1501 was received by Mr. Kevin Coleman. The Advisory Committee recommended we accept the bid in the amount of \$1501 from Mr. Coleman.

b) Property Purchase Applications:

The Land Bank received a Property Purchase application for a parcel at 432 Farber Court from Mr. Peter Zabiegala. He is a city resident and a student at the University of Scranton. He would like to purchase the property to provide off street parking for University of Scranton students. He has submitted a bid of \$500 for the property. He stated that if zoning did not approve of him making it a parking lot he would still maintain the property. The Advisory Committee recommended accepting his offer to purchase the property.

The Land Bank received a Property Purchase application for a parcel on Snook Ave. from Mr. Jeffrey Ghergo on September 7, 2017. This property is directly behind his property at 1 Elmhurst Blvd. He has submitted a bid of \$500 for the property. The Advisory Committee recommends accepting his offer to purchase the property.

The Scranton Lackawanna Resource Development Corporation (SLRDC), an arm of the Scranton Lackawanna Human Development Agency (SLHDA) has submitted applications to purchase the properties at 2428 N. Main Ave., 1350 Bryn Mawr Street and a building at 1344-1346 Bryn Mawr Street. They are interested in building affordable housing on the land.

The first property at 2428 N. Main Ave. had an interested party that was going to purchase the property. When they determined what the taxes are on the property, they decided against purchasing the property. It was recommended by the Advisory Committee the previous approval of purchase be rescinded and then the approval of purchase to the SLRDC be approved.

In regards to 1344, 1346, and 1350 Bryn Mawr Street it was recommended the purchase be tabled until more research is done on the properties. Commissioner Patrick O'Malley would like to get an estimate on how much it will cost to have the building demolished. Mr. Ron Koldjeski suggested looking into if there was an insurance policy on the property when it was destroyed by fire. If so, the holder of the policy may be responsible for paying to demolish the building. Mr. Koldjeski is going to request a copy of the title search. Also, Mr. Kelly would like a Land Bank sign put on property to let the public know it is for sale. This will all be addressed at the next Land Bank meeting.

c) Additional Properties to be acquired from the Repository of Unsold Properties:

The following properties located at 419 East Market Street, 524 N. Rebecca Avenue, Rear 205 Prospect Ave. and the Corner of Taylor and Vine Street will all be acquired from the Repository of Unsold Property.

ADDITIONAL INFORMATION

Mr. Pappas stated 34 side lots have been purchased to date and an additional 14 properties are in different stages of the process. Attorney Colbassani stated the Land Bank is being recognized throughout the state for being very proactive with our Land Bank. Mr. Pappas then informed the Board that the Housing Alliance of Pennsylvania is doing a story on the Lackawanna County Land Bank and it will be coming out on October 24th. They also are having their media get in touch with Mr. George Kelly for another interview. Mr. Kelly suggested the members of the Board partake in the interview as well. Mr. Kelly was also contacted by the Committee House of Urban Affairs and was asked to testify at a hearing regarding Land Banks and Redevelopment Authorities on November 14th.

Attorney Colbassani informed the Board that in regards to the Meylert Street property, we secured a release of the IRS lien. There was a question as to where it gets recorded. It was determined it should get recorded with the Clerk of Judicial Records and the Recorder of Deeds. Attorney Colbassani also stated he attended a Tax Assessor's Appeal hearing and on the list was the Lackawanna County Land Bank regarding the Meylert Street property. As part of the process to get the lien released, the Land Bank filed a tax assessment appeal to lower the assessment. The Board of Assessors lowered the assessed value from \$30,000 to \$8,000. Mr. Kelly stated the closing for the Meylert Street property should take place within the next 30 days.

ACTION ITEM

Resolution No. 17-024 Rescinding

Resolution NO. 17-024, Rescinding the Conveyance of Certain Land Bank Owned Properties to previously approved Applicants.

Motion by Henry Deecke

Seconded by Steve Pitoniak

All in favor

Property Disposition

The following motion was Amended to exclude the properties at 1344-1346 and 1350 Bryn Mawr Street

Resolution NO. 17-025 Approving the Conveyance of Certain Land Bank Owned Properties under the Land Bank Side Lot Program

Motion by Steve Pitoniak

Seconded by Marion Gatto

All in favor

Resolution NO. 17-026, Approving the Conveyance of Certain Land Bank Owned Properties under the Land Bank Purchase Program

Motion by Terrance McDonnell

Seconded by Linda Aebli

All in favor

Property Acquisition

Resolution NO. 17-027 Approving the Acquisition of additional properties from the Lackawanna County's Tax Claim Repository List of Unsold Property

Motion by Henry Deecke

Seconded by Linda Aebli

All in Favor

OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

Ron Koldjeski stated the City of Scranton has an ordinance regarding creating abandoned property registration. He would like a copy of the list. Ms. Linda Aebli suggested going to Council and then Licensing, Inspections and Permits. She also said she was going to look into it. Mr. Koldjeski asked about the expansion of the Land Bank. Mr. Kelly stated he had reached out to Justin Taylor, the Mayor of Carbondale. Commissioner O'Malley would like to have a meeting with leaders from neighboring communities and the public to inform and discuss the Land Bank.

A question was asked by Commissioner Laureen Cummings as to what the process was for other communities to join the Land Bank. Commissioner O'Malley responded stating that we go to the community and if they decide they want to join the Land Bank they enter into an Intergovernmental Cooperation Agreement. The agreement must be agreed upon by the School Board, the Municipality, and the County. When they have all signed off that Municipality becomes a member of the Land Bank.

A discussion between Commissioner Cummings and Mr. Koldjeski regarding communities continued.

Jamie Heenan, a resident of South Scranton addressed the board and would like to purchase a property and cultivate a community garden. She would like to know how she could do so. Mr. Kelly told her to contact Mr. Pappas and he will research the property and find out if it is in the Repository of unsold property. If so the Land Bank will then obtain the property and make it available to interested parties.

Mr. Terrence McDonnell expressed interest in having Dunmore join the Land Bank and asked Mr. Koldjeski if there were any properties in Dunmore on Repository list. Mr. Koldjeski said there are about 4 properties available. A discussion between Mr. Kelly, Mr. Koldjeski and Mr. McDonnell then took place regarding communities joining the Land Bank.

ADJOURNMENT

As all business had been conducted, a motion to adjourn was made by Terrence McDonnell with a second by Linda Aebli. The motion carried and the meeting was adjourned.

Marion Gatto, Secretary

Prepared by Margaret Piccotti



COMCAST FINANCIAL AGENCY CORPORATION
A Comcast Cable Communications Group Company
1701 JFK Boulevard
Philadelphia, PA 19103-2838

8716384

PAGE: 1 of 1

DATE: November 1, 2017
CHECK NUMBER: 520586685
AMOUNT PAID: \$267,137.57



02488 CKS ZA 17305 - 0520586685 NNNNNNNNNNNN 3055100004003 X193A1 C
SCRANTON CITY OF PA
ATTN CITY CLERK
340 N WASHINGTON AVE
SCRANTON PA 18503



VENDOR NUMBER: 267205

VENDOR: SCRANTON CITY OF PA

INVOICE NO.	INVOICE DATE	ACCOUNT NUMBER	DESCRIPTION	DISCOUNT AMOUNT	NET AMOUNT
429586	09/30/17		303121-Scranton PA	\$0.00	\$267,137.57
			TOTALS	\$0.00	\$267,137.57

RECEIVED

NOV - 8 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

PLEASE DETACH BEFORE DEPOSITING CHECK



COMCAST FINANCIAL AGENCY CORPORATION
A Comcast Cable Communications Group Company
1701 JFK Boulevard
Philadelphia, PA 19103-2838

CHECK
NUMBER 520586685

56-1544
441

November 1, 2017

*** VOID AFTER 180 DAYS ***

PAY
TO THE
ORDER OF: SCRANTON CITY OF PA
ATTN CITY CLERK
340 N WASHINGTON AVE
SCRANTON, PA 18503

CHECK AMOUNT

\$267,137.57

EXACTLY *****267,137 DOLLARS AND 57 CENTS



Security features
included.
Details on back.

Authorized Signature

11

⑈ 5 20586685 ⑈ ⑆044115443⑆

675528343⑈

3055100004003X193A1C

JPMorgan Chase Bank, N.A.
Columbus, OH

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

AUTHORIZING THE ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES, SERIES OF 2018 IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,750,000; PROVIDING FOR THE DATE, INTEREST RATE, MATURITY DATE, REDEMPTION PROVISIONS, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTES; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION NAMED THEREIN FOR THE PURCHASE OF THE NOTES; NAMING A SINKING FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE NOTES AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTES.

WHEREAS, the City of Scranton, Lackawanna County, Pennsylvania (the "City"), is a home rule charter city operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the City anticipates receiving taxes and other revenues during the fiscal year ending December 31, 2018, which taxes and other revenues are currently uncollected; and

WHEREAS, the City has estimated, on a monthly basis, its expected taxes, revenues and expenditures for the fiscal year ending December 31, 2018, and has determined that during a portion of such fiscal year it will experience a "cumulative cash flow deficit" as such phrase is defined in the regulations promulgated under Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the City has determined to borrow monies for the purpose of funding, in part, such cumulative cash flow deficit by issuing notes to be repaid from the anticipated taxes and revenues, all in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act 53 Pa.C.S., Chapters 80-82, as reenacted and amended (the "Debt Act"); and

WHEREAS, the City has determined to accept the proposal of IFS Securities Inc., Atlanta, Georgia, as purchaser or placement agent (the "Purchaser"), for the purchase of its Tax and Revenue Anticipation Notes as hereinafter described; and

WHEREAS, as required by Section 8126 of the Debt Act, officials of the City have heretofore made an estimate of the taxes and revenues to be received during such fiscal year ending December 31, 2018 and, by their execution of a certificate with respect thereto dated this date, have certified to such estimate.

NOW, THEREFORE, BE IT ORDAINED by the Council (the "Council") of the City of Scranton, Lackawanna County, Pennsylvania, as follows:

Section 1. For the reasons and purposes recited above, the City hereby exercises its power and authority to borrow money and authorizes the issuance and sale of its Tax and Revenue Anticipation Notes, Series of 2018, in an aggregate principal amount not to exceed \$12,750,000 (the "Notes") in anticipation of the receipt of current taxes and revenues during the fiscal year ending December 31, 2018, such Notes to be issued, sold and delivered as hereinafter provided.

Section 2. The Mayor, the Controller and the City Clerk of the City, or any duly appointed successor to any thereof, as the case may be, are hereby authorized and directed, in the name and on behalf of the City, to prepare and file with the Department of Community and Economic Development of the Commonwealth of Pennsylvania a certified copy of this Ordinance, a certificate setting forth the taxes and revenues remaining to be collected in the fiscal year ending December 31, 2018 and a true copy of the accepted Proposal (hereinafter defined) for the purchase of the Notes, all as set forth in and required by Section 8128 of the Debt Act. The Mayor, the Controller and the City Clerk of the City are also hereby authorized and directed, in the name and on behalf of the City, to prepare and verify a certificate, in accordance with Sections 103 and 148 of the Code and the regulations applicable thereto, setting forth the anticipated use of the proceeds, to prepare and deliver to the Purchaser the certificate required by Section 8127 of the Debt Act relating to the total amount of the City's Tax and Revenue Anticipation Notes outstanding on the date of delivery of the Notes, and to take any and all other action, and to execute and deliver any and all other documents and instruments, as may be necessary, proper or desirable to effect the issuance and sale of the Notes as contemplated herein. The certification made on the date of enactment of this Ordinance by the aforementioned officials of the City, relating to the amount of taxes and other revenues remaining to be collected by the City in the fiscal year ending December 31, 2018, is hereby ratified and approved.

Section 3. The Notes shall be designated "City of Scranton, Lackawanna County, Pennsylvania, Tax and Revenue Anticipation Notes, Series of 2018," or such other name or designation as shall be selected by the Mayor of the City upon delivery of the definitive Notes in accordance with this Ordinance, shall be in registered form, without coupons, shall be dated the date of issuance, and shall be in such denominations, shall be subject to such redemption, and shall bear interest from the date of delivery until maturity at the rate of interest all as set forth in the Proposal, shall mature on or before December 31, 2018 as set forth in the Proposal, and shall be payable as to principal and interest at the place and in the manner and be otherwise in substantially the form set forth in the form of Notes attached as Exhibit "A" hereto and the Proposal.

Section 4. The Notes shall be executed in the name and on behalf of the City by the true or facsimile signatures of the Mayor and Controller of the City, or, if applicable, their duly qualified respective successors, and the true or facsimile official seal of the City shall be affixed thereunto, duly attested by the true or facsimile signature of the City Clerk of the City. Said officers are authorized and directed to execute and attest the Notes. The execution and delivery of the Notes in accordance with Section 3 hereof and this Section 4 shall constitute conclusive proof of the approval of the final terms and provisions of the Notes by the City.

No Note constituting one of the Notes shall be entitled to any benefit under this Ordinance nor shall it be valid, obligatory or enforceable for any purpose until such Note shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly signed by the Paying Agent (hereinafter defined); and the Paying Agent is authorized to register and authenticate the Notes in accordance with the provisions hereof.

The Notes shall initially be issued in the form of one fully-registered Note for the aggregate principal amount of the Notes of each maturity, which Notes shall be registered in the name of the Purchaser or Cede & Co., as nominee of The Depository Trust Company ("DTC"), as directed by the Purchaser. The Notes issued in the name of Cede & Co. in accordance with the provisions of this Section may be issued in typewritten form satisfactory to DTC. Except as provided below all of the Notes shall be registered in the registration books kept by the Paying Agent in the name of the Purchaser or Cede & Co., as nominee of DTC; provided that if DTC shall request that the Notes be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Notes for an equal aggregate principal amount of Notes of such series registered in the name of such nominee or nominees of DTC. No person other than the Purchaser or DTC or its nominee shall be entitled to receive from the City or the Paying Agent either a Note or any other evidence of ownership of the Notes, or any right to receive any payment in respect thereof unless the Purchaser or DTC or its nominee shall transfer record ownership of all or any portion of the Notes on the registration books maintained by the Paying Agent.

So long as the Notes or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price, if any, of or interest on such Notes shall be made to DTC or its nominee. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the City or the Paying Agent with respect to

the principal or redemption price of or interest on the Notes to the extent of the sum or sums so paid.

The City and the Paying Agent shall treat DTC (or its nominee) as the sole and exclusive registered owner of the Notes registered in its name for the purposes of payment of the principal or redemption price of or interest on the Notes, selecting the Notes or portions thereof to be redeemed, giving any notice permitted or required to be given to registered owners of the Notes, registering the transfer of the Notes, obtaining any consent or other action to be taken by registered owners of the Notes and for all other purposes whatsoever; and neither the City nor the Paying Agent shall be affected by any notice to the contrary. Neither the City nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Notes under or through DTC or any such participant, or any other person which is not shown on the registration books of the Paying Agent as being a registered owner, with respect to: (1) the Notes; (2) the accuracy of any records maintained by DTC or any such participant; (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Notes; (4) any notice which is permitted or required to be given to registered owners of the Notes; (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial redemption of the Notes; or (6) any consent given or other action taken by DTC as the registered owner of the Notes.

So long as the Notes or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the registered owners of the Notes under this Ordinance shall be given to DTC.

In connection with any notice or other communication to be provided to registered owners of the Notes pursuant to this Ordinance by the City or the Paying Agent with respect to any consent or other action to be taken by registered owners of the Notes, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that the City or the Paying Agent may establish a special record date for such consent or other action. The City or the Paying Agent shall give DTC notice of such special record date not less than 10 calendar days in advance of such special record date to the extent possible.

The book-entry system for registration of the ownership of the Notes may be discontinued at any time if: (1) after notice to the City and the Paying Agent, DTC determines to resign as securities depository for the Notes; or (2) after notice to DTC and the Paying Agent, the City determines that continuation of the system of book-entry transfers through DTC (or through a successor securities depository) is not in the best interests of the City or the beneficial owners of the Notes. In any such event, unless the City appoints a successor securities depository, the Notes shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated in writing by DTC, but without any liability on the part of the City or the Paying Agent for the accuracy of such designation. Whenever DTC requests the City and the Paying Agent to do so, the City and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable written notice to arrange for another securities depository to maintain custody of certificates evidencing the Notes.

Section 5. The Notes shall be general credit obligations of the City, and, together with any other tax and revenue anticipation notes issued, or to be issued, by the City during the City's fiscal year ending on December 31, 2018, shall, upon issuance thereof, be equally and ratably secured by a pledge of, security interest in, and a lien and charge on, the taxes and other revenues to be received by the City during the period when the Notes are outstanding; and the Mayor and Controller of the City, attested by the City Clerk, are hereby authorized and directed to prepare and file, or to have filed, such financing statements as may be necessary to fully perfect such pledge, security interest, lien and charge pursuant to the Pennsylvania Uniform Commercial Code and Section 8125 of the Debt Act. The City covenants and agrees that any additional tax and revenue anticipation notes issued by the City after the date of issuance of the Notes and while the Notes are still outstanding shall mature on a date after the final maturity date of the Notes.

Section 6. The City covenants to and with the registered owners of the Notes that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such Notes, would cause the Notes to be "arbitrage bonds" or "private activity bonds" as those terms are defined in Section 148 and Section 141 of the Code and the applicable regulations thereunder. The City further covenants

that it will comply with the requirements of such Section 148 and Section 141 and with the regulations thereunder throughout the term of the Notes. In addition, the Mayor and Controller of the City, being the officials responsible for issuing the Notes, attested by the City Clerk of the City, are hereby authorized and directed to execute and deliver, in the name and on behalf of the City, any and all documents or other instruments which Note Counsel may reasonably request in connection with the providing of its opinion that the Notes are not "arbitrage bonds" or "private activity bonds" within the meanings of Section 148 and Section 141 of the Code and the regulations promulgated thereunder, including, without limitation, a certificate dated the date of issuance and delivery of the Notes, which certificate shall set forth the reasonable expectations of the City as to the amount and use of the proceeds of the Notes.

Section 7. The City shall and does hereby accept the Proposal of the Purchaser, for the purchase or arrangement of the private placement of the Notes subject to and in accordance with the terms and conditions of this Ordinance and the Proposal, dated the date of final enactment of this Ordinance (the "Proposal"). The sale of the Notes shall be for an aggregate purchase price of not less than the aggregate par amount of the Notes issued by the City, plus accrued interest, if any, from the date of the Notes to the date of delivery thereof. A copy of the Proposal, as presented to the City and accepted by this Ordinance, is incorporated herein by reference and shall be attached to this Ordinance as Exhibit "B" and maintained with the minutes of this meeting. Upon final pricing of the Notes, the Purchaser will present to the City an addendum or confirmation to the Proposal for the Notes setting forth the final terms and conditions of the Notes, including the final maturity date, principal amount, interest rates, redemption provisions and purchase price for the Notes (the "Addendum"). As long as the terms and conditions set forth in the Addendum satisfy the parameters set forth in this Ordinance, the Mayor is hereby authorized and directed to accept and to execute the Addendum in the name and on behalf of the City, and the City Clerk of the City is hereby authorized and directed to attest to such acceptance and execution, if necessary or appropriate. In the event the Purchaser arranges the private placement of the Notes, the Mayor is hereby authorized to execute and deliver a note purchase agreement or similar agreement with the buyer or buyers identified by the Purchaser, acting in its role as placement agent, upon such terms as the Mayor, with the advice of the Solicitor to the City, shall approve, with such approval conclusively evidenced by his execution thereof and subject to the parameters contained herein.

Section 8. The Notes shall be in substantially the form set forth in Exhibit "A" hereto. The form of the Notes as submitted to the City are hereby approved in substantially such form, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to, series designation, interest rates, principal amounts, denominations, registered owner, the name or designation and redemption provisions, of the Notes as specified to the City in the delivery instructions of the Purchaser and such other changes as the Mayor of the City may approve upon advice of the Solicitor to the City, such approval to be evidenced by such officer's execution and delivery of the Notes.

Section 9. The Mayor and Controller of the City is hereby authorized, empowered and directed to contract with Community Bank, N.A., Scranton, Pennsylvania, as paying agent, or such other paying agent, which shall be a bank or bank and trust company authorized to do business in the Commonwealth, as may be selected by the Mayor of the City upon delivery of the Notes in accordance with this Ordinance (any such paying agent selected in accordance with this Section 9 being hereinafter referred to as the "Paying Agent"), for its services as paying agent and sinking fund depository in accordance with the terms and conditions of the Proposal, this Ordinance and the Act. Payment of the principal of and interest on the Notes shall be made, when due, in accordance with the provisions of the Notes, at the corporate trust office of the Paying Agent in lawful money of the United States of America. The Controller or other proper officer is hereby authorized and directed to make deposits to the sinking fund to be held for the payment of principal and interest on the Notes as set forth in the Notes and the Proposal.

Thereafter, the Paying Agent shall, without further authorization or direction from the City or any of its officials, withdraw moneys from the sinking fund and apply such moneys to the payment of principal and interest then due on the Notes.

Section 10. Stevens & Lee, P.C., Scranton, Pennsylvania, is hereby appointed Bond Counsel in connection with the issuance and sale of the Notes, PFM Financial Advisors LLC, to act as Financial Advisor to the City, Amil Minora, Esquire, counsel to City Counsel, and Jessica Eskra, Esquire, City Solicitor, and any other professionals, as necessary or appropriate, in

connection with the purposes of and to facilitate the intent of this Ordinance as the Mayor of the City may appoint.

Section 11. All expenses incurred in connection with issuance of the Notes shall be paid out of the proceeds derived from the issuance of the Notes or from other available funds of the City and the Mayor of the City is authorized to approve requests for payment of such expenses and to pay or direct the payment of such expenses.

Section 12. The Mayor, Controller and City Clerk of the City are hereby authorized to execute the Continuing Disclosure Certificate (hereinafter defined) on behalf of the City and the City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate as required by applicable law. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an event of default hereunder or on the Notes; however, any Noteholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section.

As used herein, the term "Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate or Certificates to be executed by the City in order to comply with Securities and Exchange Commission Rule 15c2-12, and dated the date of issuance and delivery of each series of the Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

As used herein, the term "Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Notes (including persons holding Notes through nominees, depositories, or other intermediaries).

Section 13. The City hereby approves the form of and authorizes and/or ratifies the preparation, use and distribution of a Preliminary Official Statement or Preliminary Placement or Limited Offering Memorandum by the Purchaser in connection with the marketing of the Notes. The Mayor of the City after consultation with the Solicitor to the City is hereby authorized to execute and approve a final Official Statement or Placement or Limited Offering Memorandum relating to the Notes and any amendments or supplements to the same. The Purchaser is hereby authorized to use such final Official Statement or Placement or Limited Offering Memorandum (and any amendments or supplements thereto) in connection with the sale of the Notes.

Section 14. The Mayor, Controller and City Clerk of the City and all other proper officers of the City are hereby authorized, jointly and severally, to do any and all other things necessary to effectuate the issuance, execution, delivery and sale of the Notes, including the execution and delivery of any and all additional documents, representations, declarations, depositary agreements, debt service agreements, control agreements, deposit account control agreements, loan agreements, reimbursement agreements, security agreements, promissory notes, intercreditor agreements, derivative and/or interest rate management agreements, escrow agreements, assignments, financing statements, certificates, authorizations, contracts, agreements, insurance binders and other papers as may be necessary to effectuate any of the foregoing, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by the City.

Section 15. If any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the City that the remainder of this Ordinance shall remain in full force and effect. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration hereof.

Section 16. This Ordinance shall become effective immediately upon approval.

Section 17. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly hereby are repealed. 16

Section 18. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law," and any other applicable law arising under the laws of the Commonwealth of Pennsylvania.

EXHIBIT "A"

[Form of Notes]

REGISTERED
NUMBER R-__

REGISTERED
\$ _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company ("DTC"), a New York corporation, to the City or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CITY OF SCRANTON, LACKAWANNA COUNTY, PENNSYLVANIA

TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2018

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
----------------------	----------------------	-------------------	--------------

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \$ _____

KNOW ALL MEN BY THESE PRESENTS, that the City of Scranton, Lackawanna County, Pennsylvania (the "City"), a city existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, hereby promises to pay to the order of CEDE & CO., the sum of Twelve Million Seven Hundred Fifty Thousand Dollars (\$12,750,000) on the 15th day of December, 2018, together with interest on said sum from the 3rd day of January, 2018 until maturity at the rate of _____ percent (____%) per annum, computed on the basis of a 360-day year of twelve 30 day months. Interest on the Notes is payable at maturity, or if redeemed prior to maturity, on the date of redemption. Both the principal of and interest on this Note shall be payable in such coin or currency as at the place and at the time of payment shall be legal tender for the payment of public and private debts in the United States (or by instrument payable in immediately available legal tender as aforesaid), upon presentation and surrender hereof at the principal office of Community Bank, N.A. (the "Paying Agent") in Scranton, Pennsylvania.

Whenever the due date for payment of interest on or principal of the Notes or the date fixed for redemption of any Notes shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to remain closed, then payment of such interest, principal, or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day upon which banks are authorized by law or executive order to remain closed, with the same force and effect as if made on the due date for payment of principal, interest or redemption price and no interest shall accrue thereon for any period after such due date.

This Note is one of a series of Tax and Revenue Anticipation Notes, Series of 2018, authorized and issued in the aggregate principal amount of Twelve Million Seven Hundred Fifty Thousand Dollars (\$12,750,000) (the "Notes") in accordance with the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (the "Act"), and pursuant to an Ordinance enacted on November __, 2017 by the Council of the City (the "Ordinance"). Reference is made to the Act and the Ordinance for a complete statement of the rights and limitations of rights of holders of the Notes, to all of which the holder hereof by acceptance of this Notes assents. The terms and provisions of the Ordinance are hereby incorporated by reference as if set forth fully herein. The Notes are issuable only as fully registered Notes in the denominations of \$5,000 or any whole multiple thereof.

This Note is issued under and in accordance with the Act, for the purpose of providing funds for current expenses payable in the current fiscal year in anticipation of the receipt of taxes and other revenues by the City from the date of original delivery of the Notes to the stated maturity date thereof.

The City has pledged and granted (equally and ratably with all other tax and revenue anticipation notes issued by the City for the City's 2018 fiscal year) to the Paying Agent, for the benefit of the holders of the Notes, a lien on, and security interest in, its taxes and revenues to be received by the City during the period when this Note is outstanding in order to secure the payment of the principal indebtedness evidenced hereby and the interest hereon, all as more fully set forth in the Debt Service Agreement, dated the date hereof (the "Debt Service Agreement"), between the City and the Paying Agent, the Continuing General Security Agreement, dated the date hereof (the "Security Agreement"), between the City and the Paying Agent, and the Deposit Account Control Agreement, dated the date hereof (the "Control Agreement" and together with the Debt Service Agreement and the Security Agreement, the "Notes Security Agreements"), between the City and the Paying Agent. Such pledge, security interest, and lien are enforceable in the manner provided by the Act and the Notes Security Agreements.

In the Ordinance, the City has covenanted to and with registered owners of the Notes that it will make no use of the proceeds of the Notes, or do or suffer any other action, which, if such use or action had been reasonably expected on the date of issuance of the Notes, would cause the Notes to be "arbitrage bonds" or "private activity bonds" as those terms are defined in Section 148 and Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder.

This Note shall not be entitled to any benefit under the Ordinance nor shall it be valid, obligatory or enforceable for any purpose until this Note shall have been authenticated by the Paying Agent.

The Notes are not subject to optional redemption prior to maturity.

The Notes are subject to mandatory sinking fund redemption prior to maturity, as drawn by lot by the Paying Agent, on the dates and in the aggregate principal amounts set forth below at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption:

_____, 2018	\$
_____, 2018	\$
_____, 2018	\$
_____, 2018*	\$

*Stated maturity.

In lieu of such mandatory sinking fund redemption, the Paying Agent, on behalf of the City, may purchase, from money in the Sinking Fund, or the City may tender to the Paying Agent, all or part of the Notes subject to mandatory sinking fund redemption in any such year.

If a Note is of a denomination larger than \$5,000, a portion of such Note may be redeemed. For the purposes of redemption, such Note shall be treated as representing that number of Notes which is obtained by dividing the principal amount thereof by \$5,000, each \$5,000 portion of such Note being subject to redemption. In the event of a partial redemption of a Note, payment of the redemption price shall be made only upon surrender of such Note in exchange for Notes of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

Any redemption of Notes shall be upon notice effected by mailing a copy of the redemption notice by first-class mail, postage prepaid, such notice to be sent not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption, addressed to the registered owners of Notes to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the date the Notes are selected for redemption; provided, however, that failure to give such notice by mailing, or any defect therein or in the mailing thereof, shall not affect the validity of any proceeding for redemption of other Notes called for redemption as to which proper notice has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and accrued interest being held by the Paying Agent, interest on the Notes or portions thereof so called for redemption shall cease to accrue and such Notes or portions thereof shall cease to be entitled to any benefit or security under the Ordinance,

and registered owners of such Notes shall have no rights with respect to such Notes, except to receive payment of the principal of and accrued interest on such Notes to the date fixed for redemption.

This Note may be transferred or exchanged by the registered owner hereof only upon surrender of this Note to the Paying Agent at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Note or his attorney in fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Note in the registration books maintained by the Paying Agent and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Note or Notes of the same series and of authorized denominations of the same maturity and form for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The City and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Note shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the City and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the registered owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the City upon the Note as paid.

The City and the Paying Agent shall not be required: (i) to issue or to register the transfer of or exchange any Notes then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Notes to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is given, or (ii) to register the transfer of or exchange any portion of any Note selected for redemption, in whole or in part until after the date fixed for redemption. Notes may be exchanged for a like aggregate principal amount of Notes of other authorized denominations of the same maturity and interest rate.

The City has caused CUSIP numbers to be printed on the Notes as a convenience to bondholders. No representation is made as to the accuracy of such numbers as printed on the Notes.

The City covenants that it will deposit in the sinking fund for the Notes established by the Ordinance with the Paying Agent the taxes and other revenues collected in amounts which will be sufficient to pay the principal of and interest on all Notes issued pursuant to the Ordinance as and when the same shall become due and payable, and such sinking fund shall be applied exclusively to such purpose.

All acts, conditions and things required to be done or performed precedent to and in the issuance of this Note or in the creation of the obligation of which this Note is evidence have been done and performed as required by law.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the City of Scranton, Lackawanna County, Pennsylvania, has caused this Note to be signed in its name and on its behalf by the signatures of the Mayor and Controller of the City and its corporate seal to be hereunder affixed, duly attested by the signature of the City Clerk of the City, as of the _____ day of January, 2018.

CITY OF SCRANTON
Lackawanna County, Pennsylvania

(SEAL)

By: _____
Mayor

By: _____
Controller

Attest: _____
City Clerk

APPROVED AS TO FORM:

City Solicitor

(FORM OF PAYING AGENT'S CERTIFICATE)

CERTIFICATE OF AUTHENTICATION

It is certified that this Note is one of the Notes described in the within-mentioned Ordinance.

Community Bank, N.A., as Paying Agent

By: _____
Authorized Officer

Date of Registration and Authentication:

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, _____ (the "Transferror"), the undersigned, hereby sells, assigns and transfers unto

Name (the "Transferee")

Address

Social Security or
Federal Employer Identification No.

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an approved eligible guarantor institution, an institution which is a participant in a Securities Transfer Association recognized signature

NOTICE: No transfer will be made in the name of the Transferee, unless the signature(s) to this assignment correspond(s) with the name(s) as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of

the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and date of the trust, and the name of the trustee should be supplied.

guarantee program.

(END OF NOTE FORM)

EXHIBIT “B”

Proposal



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 1, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

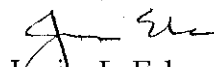
NOV - 2 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES, SERIES OF 2018 IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,750,000; PROVIDING FOR THE DATE, INTEREST RATE, MATURITY DATE, REDEMPTION PROVISIONS, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTES; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION NAMED THEREIN FOR THE PURCHASE OF THE NOTES; NAMING A SINKING FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE NOTES AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTES.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2018 TO AND INCLUDING DECEMBER 31, 2018 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2018.

WHEREAS, it is in the best interests of the City of Scranton, and required by the Home Rule Charter, that the City pass a General City Operating Budget for the year 2018.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that the 2018 General City Operating Budget is hereby approved and authorized in the form as attached hereto and made a part hereof.

SECTION 1. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Ordinance, so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 3. This Ordinance shall take effect January 1, 2018.

SECTION 4. This Ordinance is enacted by the Council of the City of Scranton under the Authority of the Act of the Legislature, April 13, 1972, Act No. 62 known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

RECEIVED
NOV - 6 2017



DEPARTMENT OF BUSINESS ADMINISTRATION

OFFICE OF CITY
COUNCIL/CITY CLERK

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 6, 2017

Ms. Lori Reed
City Clerk
City of Scranton
340 North Washington Avenue
Scranton, Pa 18503

Re: 2018 Budget

Dear Ms. Reed:

According to Article IX, Section 902, of the Home Rule Charter, the Administration of the City of Scranton hereby submits the 2018 Operating Budget. The Budget document includes estimated income, including various taxes, fees, and other revenues for the fiscal year. Detailed proposed expenditures by department including employee-related expenses and capital expenditures are delineated. Proposed expenditures do not exceed budgeted revenues.

Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "DM Bulzoni", written over a horizontal line.

David M. Bulzoni
Business Administrator
City of Scranton

2018 Budget Summary

Financial Overview

The City of Scranton 2018 budget continues a phased progression in fiscal stability and a more manageable and effective allocation of revenues and expenses. The City will continue to strive to achieve manageable annual adjustments in both revenues and expenditures to avoid the punitive nature of double digit real estate tax increases. The compression of real estate tax increases and the sensitivity assigned to future adjustments will be an ongoing concern and remains a focal point of the 2018 budget. If the 2017 budget was considered transitory from revenue assignments concluding the parking monetization transactions and the sale of the sewer assets, the 2018 budget reflects the execution of those initiatives and the subsequent influence on the City's budget stability. Without those adjustments, the impact on the primary revenue drivers would be significant. Those revenue components are real estate and earned income taxes.

An integral component of the continued momentum in fiscal stability is the assignment of real estate taxes through a segmented calculation which originated in the 2015 budget. The City of Scranton created a dedicated millage to meet total annual debt service requirements and appointed a single point paying agent to manage those payments. This concept was well received by the financial markets and has been an integral part of the restoration of the City's credit worthiness. The reduction in budgeted debt service from \$14,713,139.50 in 2014 to \$10,825,179.53 in 2018 is representative of the City's efforts at greater budget stability. This decrease of \$3,887,959.97, or 26.50%, is resulting from a complete redefinition of the City's debt profile.

*Real estate taxes will continue as a significant source of revenue in the 2018 budget. The intent of the 2018 budget is to maintain total millage at 2017 levels. Debt service millage will be based on the City's annual debt service requirement and will be adjusted accordingly. This process is based purely on an annual calculation and eliminates discretionary considerations from the evaluation process. That value will be decreased accordingly with any the City's debt service reduction. The reduction results from the refunding and defeasement initiatives concluding in 2017. Correspondingly, with a \$5,273,046.00 reduction in the Minimum Municipal Obligation in 2018, the operating revenue percentage will be adjusted accordingly.

The 2018 budget positions the City to further evaluate revenue maximization. Analytic methodology is used for better identification of components of the City's Act 511 taxes and rental units. Those analytics should result in either fee adjustments in future budget years and the migration from business privilege and mercantile taxes to a payroll based tax allowed under Act 47. While the refuse fee will remain the same in 2018, the City has implemented more favorable payment mechanisms to positively affect cash flow. A recycling based evaluation should identify best practices in both refuse and recycling programs and identify the merits of a per bag or hybrid fee based service.

A realistic approach to expenditure budgeting will mirror the same approach to revenues. While several issues portend some significance for the City with the 2018 budget, relative to expenditures, the

approach is to evaluate each budget category for savings realized through either achievable efficiencies or program alternatives to manage costs more effectively.

The budget also contemplates a measure of sensibility to nonunion salaries, which has been devoid of any real methodology in prior budgets. The plan initially presented in the 2015 budget is restated with variations to provide a framework for successive years. Once salaries have reached a level of equilibrium, raises may rotate every two years for the nonunion employee base. The rotation may incorporate a .50% or 1.00% increase initially resulting from low inflation levels. This percentage may be modified if inflation and cost of living levels increase. The City also will undertake a position compensation evaluation in 2018.

In effect, the 2018 budget continues to bridge stability in the City's fiscal outlook. The monetization efforts of both parking and sewer assets have or will improve the City's debt profile, create a more effective delivery of services, and stabilize the employee retirement plans. Again, the City expended significant effort for the closure of major initiatives in 2017. The defeasement and refunding of the City's 2003 bond debt included an improvement in the City's debt rating and a cooperative financial initiative with the bond insurer AMBAC.

The City of Scranton 25% Act 44 reduction provision, which artificially decreased the minimum municipal pension obligation for a six year period, concluded in 2016. The expiration of the provision increased the minimum obligation by \$4,411,510 in the 2017 budget. Revaluation of the Plan in 2018 resulted in the decrease noted above. The City also directed the reduction in the Plan discount rate to 7.50% from 8.00%.

On July 2, 2014, the City of Scranton took the initial steps in restoring long term fiscal stability and the repair of the City's creditworthiness by the unveiling of the Amoroso Plan. With the continued implementation of the Plan components and the incorporation of those provisions in the Act 47 Exit Plan prepared by the Pennsylvania Economy League, the fiscal framework for the City of Scranton is now intact and will serve as a guide to follow through the conclusion of 2018 and the anticipated exit from Distressed Status in 2021.

A sustainable City is achieved not only through the cost effective delivery of services, but through the value-added nature of the delivery of those services. Those services have many components, including ensuring safety at home, work, and leisure, protecting the vitality of our arts, cultural, and recreational amenities, preserving our parks, and caring for the health and well-being of our citizens. While there is a cost that we all must assume to achieve that sustainability, we expect to receive maximum value for those dollars expended. Managing those costs, achieving a measurable level of value for tax dollars, and using well founded budgetary principles will assure the future viability and vitality of the City of Scranton.

2018 General Fund Budget - Revenues

Real Estate Tax

Account Description

Real Estate Tax is the primary revenue driver in the City of Scranton annual operating budget and most subject to adjustment annually. In the Commonwealth of Pennsylvania, real estate tax adjustments are effected to meet budgetary obligations by most municipalities, school districts and counties. Taxes are levied on the assessed value of all taxable real property. The values are compiled by Lackawanna County. The property tax rate is expressed either as a percentage or may also be indicated as a millage rate or mill levy.

The City of Scranton 2015 budget initiated discussions about the segregated millage concept on land and improvements. Future discussions regarding the potential advantages of migrating to a single millage based on a total assessed valuation have also been considered. This concept was deferred for further evaluation and may resurrect upon completion of a Lackawanna County property reassessment. The City's 2017 land rate is **232.521**. The 2017 land improvement rate is **50.564**. (A mill is also stated as one-thousandth of a dollar.) The City's total millage rate in 2017 is **283.085**.

As noted previously, in departing from the usual assignment of taxes to operations, including debt service, the City created a debt service millage component from both levies. This concept was continued in the 2017 budget with an alteration to the assignment of this dedicated revenue. The use of a dedicated percentage of real estate tax revenue was memorialized in the legislative document authorizing the levy. The document authorized an assignment thirty-two percent (32%) of real estate tax revenue to meet debt service requirements. Because of debt repayment and refunding in 2017, the amount of the real estate tax revenue dedicated to debt service will remain constant at thirty-two percent (32%). The value of assessed City property indicates a decrease by \$1,068,794 from 2016 to 2017. Overall, debt service has decreased from \$14,758,139.50 in the 2014 operating budget to that projected for 2018 at \$10,315,179.53, or a decrease of 30.10%.

Total millage, therefore, remains constant at **283.085 mills**.

With the dedicated revenue component for debt service, the arbitrary use of this specific real estate levy component is eliminated. The process also adds greater transparency and effectiveness to the discussion of transacting future debt because of the specific revenue assignment. This revenue component would be adjusted annually only to meet those specific debt service requirements. The City will continue to work with the designated Single Point Paying Agent, Community Bank N.A., to efficiently pay debt service throughout the budget year. The respective millage rate for land and improvements applied to the City's operational needs is subject to adjustment annually.

Budget Highlights

- The real estate tax levy will remain level in 2018;
- The debt service revenue component will remain constant.

Landfill/ Refuse Fees

Account Description

The City has established a residential fee to fund essential refuse and mandated recycling collection programs. The annual fee was increased from \$178 per unit per year in 2013 to \$300 in 2014. The billing period was modified in 2014 to allow for two payments annually and will be continued in 2017. The fee will remain the same.

Budget Highlights

- While the refuse fee will remain at \$300 per unit in 2017, increased collections are anticipated based on the outcome of the rental registration identification program. Anticipated results, while anecdotal, if favorable, may enable the City to review the refuse fee in conjunction with the 2019 budget. Enhanced identification of billing units will result from a more effective rental registration procedure;
- The City billing and collection methods were restructured to incorporate an electronic payment and collection methodology. The City expects to evaluate the use of cash as a payment option to improve efficiency and reduce costs.
- The Department of Environmental Protection Refuse/Recycling evaluation should be completed in the first quarter of 2018 and will provide optionality in reviewing the practicality of a 'pay-as-you throw" or hybrid program concept. The optionality of this program may provide the City with the opportunity to further evaluate program costs.

Local Tax

Account Description

Another important revenue component and the City's second greatest source of revenue is its Local Taxes. Included in the local tax levy is the City wage, mercantile and local services taxes. The City's wage tax is 2.4%; the total wage tax collected in the City of Scranton is 3.4%, as commonly stated, which includes the Scranton School District's 1% Wage Tax. The taxpayers submit payments to Berkheimer Associates, the designated collector of earned income taxes for Lackawanna County municipalities. With the exception of the current and delinquent wage taxes, the remaining Local Taxes are collected by the Single Tax Office. The Single Tax office is the local tax collection agent for the City, School District and Lackawanna County. The City's Mercantile and Business Privilege Tax rate is a flat .1%. The Real Estate Transfer tax, which is collected by Lackawanna County, was reduced to 2.90 in 2017%. The tax will be reduced further in 2018 to 2.70%.

Budget Highlights

- Real estate transfer tax collections have performed favorably since 2014. A constant collection level is projected with a .20% reduction in the tax for 2018. Wage Tax collections are projected to increase marginally due to payroll limitations resulting from the employment components of the local economy. The City has not been greatly impacted by the national trend of more favorable payroll percentage increases;
- The improvement in Mercantile and Business Privilege Tax collection percentages are beginning to be realized in 2017 because of the use of analytics by the Single Tax Office. This cooperative effort between the City and Tax office is identifying nonpayment and resulting in improved collection percentages and a more complete data base. The City will evaluate the advantages of converting from the Business Privilege and Mercantile Tax levies to a broader based payroll tax for 2019. Act 47 communities are eligible for the conversion. The tax is presently levied by the City of Pittsburgh. Another alternative and byproduct of improved collection might be a reduction in the tax to levels more acceptable to the expansion of a commercial base weighted in the service industry.
- With the Governor's signature of House Bill 1773 in 2014, the City has continued the tripling of the local services tax in the 2017 budget. The City is eligible for the increased collection level while in Act 47 oversight as a distressed municipality.

The full amount calculated is based on total payrolls identified through wage tax collections. The City is subject to court approval annually to levy the tax.

Penalties & Interest - Delinquent Tax

Account Description

Penalties and Interest revenue is the result an individual and/or business' taxes which became delinquent. The City assesses a penalty on the delinquent balance.

Budget Highlights

- The amounts remain consistent and comparable with the prior year.

Licenses and Permits

Account Description

Revenue is derived from the sale and issuance of licenses and permits. The Office of Licenses and Permits issues and administers all permit activity for the City of Scranton. In addition to issuing licenses and permits, this office conducts annual inspections on personal care homes, rooming houses and rental units, child day care centers (excluding in home day care centers), hotels and food / drinking establishments within the City. This office also administers and issues other licenses for amusements, dogs, dumpsters, eating and drinking establishments, peddlers, entertainment, gas pumps, hauling, parking facilities, scales, scrap yards, transient activity and tree trimming. Many of the line item budgets are based on four year averages.

The City will continue to receive fees through the third party planning review process in 2017. A departmental initiative for 2018 will be to review and codify enacting ordinances for applicability and fee eligibility designed to restructure the department to improve efficiency.

Budget Highlights

- Revenue fluctuations in prior budgets may be attributed to various factors impacting the collection of permit fees and licenses, including activity influenced by the state of the local economy.

- The City is working cooperatively with a third party to improve the efficacy of the rental registration database. Improved collections are anticipated through more effective unit identification and tracking procedures;
- The Department will undertake a review of enacting ordinances to better identify the effectiveness of permitting activity;
- The building permit budget remains constant as a more indicative forecast of future activity, although the City is optimistic that tax abatement legislation passed on April 21, 2016 will have a positive effect on home construction.
- Foreclosure registry fees fund the Scranton Home Assistance Program created by the partnership between the City and Neighborworks Northeastern Pennsylvania. The partnership was formalized by legislation adopted on June 23, 2016. A home improvement grant program with a maximum allocation of \$5,000 is managed by Neighborworks from the receipt foreclosure registry payments.

Fines, Forfeits, & Violations

Account Description

Fines, Forfeits, and Violations are collected from persons or businesses that violate state statutes or City ordinances. Historically, parking meter revenue was a budget component and was derived from a management agreement the City maintained for the operation of the on-street parking program. The program also included mobile parking services. Landmark concession lease legislation adopted by Council on June 30, 2016 consolidated parking operations with the non-profit Community Development Properties, thereby eliminating revenues associated with the on-street program. Civilian Parking Tickets, which resulted from the 2015 agreement between the City of Scranton and the Fraternal Order of Police, and Quality of Life Tickets, will remain an integral component of this revenue category.

Budget Highlights

- The Civilian Parking Ticket budget is reflective of activity through September 2017;

Interest Earnings

Account Description

Interest Income is derived from investing available cash in interest bearing accounts and does not include fee offsets through earnings allowances.

Budget Highlights

- The City of Scranton has two primary cash accounts which are subject to some balance seasonality: The General Fund and the Debt Service Account component of the Fund. The debt service account is presently maintained with the Single Point Paying Agent to meet debt payment needs; the general fund is maintained for operations.
- The remaining proceeds associated with the sewer asset sale are invested subject to Act 10 of 2016 provisions.
- The City is implementing a phased expansion and redefinition of the delivery of operational banking services to improve the refuse billing and payment programs. Greater efficiency in this front end program should positively affect cash flow and complement a further review of program alternatives.

Intergovernmental Reimbursement

Account Description

Intergovernmental Reimbursement represents federal and state revenue received by City. Federal funds are typically derived from sources including the Community Development Block Grant which funds many City programs, including demolition of blighted structures and police enforcement. The State sourced funding contributes to the City's minimum municipal pension obligation. The amount of the state aid budget remains increases in 2018.

Budget Highlights

- The amount budgeted for the school resource officer line item was reinstated in 2017 for accounting purposes associated with the shared program with the school district;

Payment in Lieu of Taxes

Account Description

A payment in lieu of taxes ("PILOT") is made to compensate the City of Scranton for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property.

Budget Highlights

- The City of Scranton has realized limited but improved contribution activity since 2015 through a cooperative approach with the nonprofit community. A more direct, targeted, practical approach to this process of engagement may support improved collections.

Departmental Earnings

Account Description

These accounts represent various departmental revenues earned through program operations. Revenue is generated by utility companies through roadway impact repairs, public safety report copy fees and public safety false alarm charges. False alarm charges were modified in 2014. The City eliminated the budget for meter revenue in 2017. A redefinition of the enacting ordinance defining procedures for utility company interaction with the City should create a more effective program.

Budget Highlights

- Impact repairs will be redefined through proposed changes in the Street and Sidewalks ordinance.

User Fees

Overview

User Fees are collected by the Parks & Recreation Department for use of City property.

Budget Highlights

- The budget amount is consistent with current year projections.

Misc. Revenue/ Cable TV

Overview

This account represents funds received from various sources. The Cable TV franchise fee represents the primary portion of recurring revenue. The CATV budget reflects the execution of the revised contract. Major debt initiatives are not contemplated for 2018 although City officials will need to evaluate improvements to the municipal building which will require an amount which may only be realized through the issuance of debt.

Budget Highlights

- The City expects to receive an amount consistent with the 2017 budget resulting from the CATV agreement;

Inter-fund Transfers

Account Description

This account represents reimbursements from third parties or transfers between City funds. Transfers from other funds include reimbursement from insurance companies relating to worker's compensation claims, excess recovery payments, grant funding reimbursement and other single revenue sources. The transfer of the annual liquid fuels payment is also listed.

Under provisions of the law, these funds may be deployed only for eligible expenditures. The liquid fuels funding is based on the total miles of locally owned roads and streets plus the most recent U.S. Federal census figures on record. Funds are used primarily for the construction, reconstruction, and maintenance of City roads and streets. The budget also includes project related initiatives including completion of the firehouse improvement project and Meadowbrook Creek Culvert and park projects.

Budget Highlights

- The City's Office of Business Administration has opted to a return to liquid fuels funds transfers to the general fund. The City used the fund as a standalone account in 2015. This change was recommended by the City's auditors.
- The liquid fuels transfer represents approximately 100% of the anticipated state allocation in 2018. Approximately \$640,000 of liquid fuels funds will be deployed to repay the Pennsylvania Infrastructure Bank paving loan and the Street Lighting lease, \$785,000 for eligible general fund expenditures, and \$875,000 for a newly designated roadway resurfacing budget.
- Approximately \$500,000 is budgeted for release from the parking transaction construction escrow account. Grant funds were approved by a Federal Transit administration allocation to the Commonwealth of Pennsylvania managed by the Department of Transportation.

Tax Anticipation Notes

Account Description

Tax Anticipation Notes are short term obligations issued by the City to sustain cash flow in anticipation of future tax revenues. The amount of issue has been consistent in recent years. The City issued a \$12.75 million Tax Anticipation Note in 2017

Budget Highlights

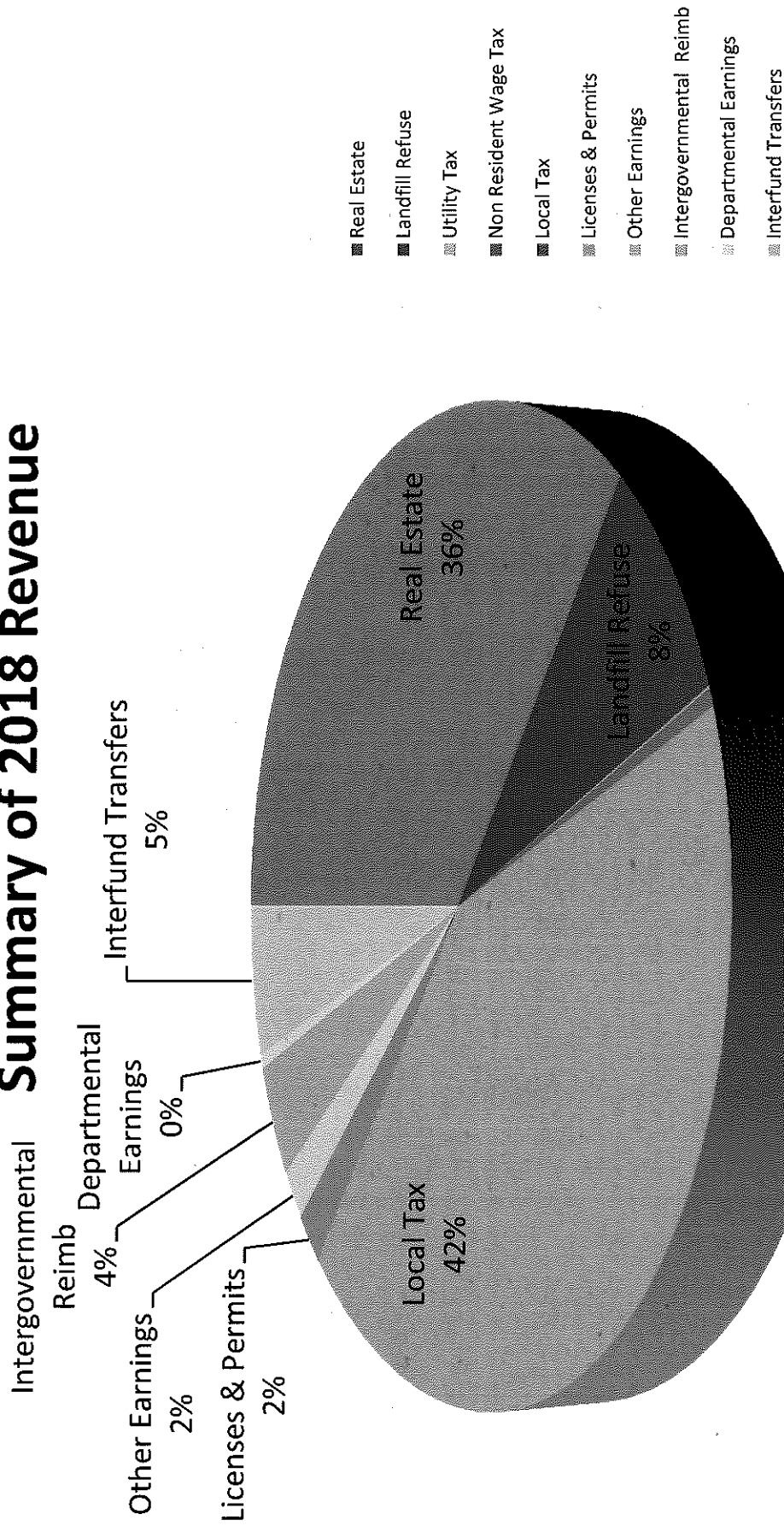
- The City presently has little latitude in reducing the amount of the borrowing. The annual funding of the Workers Compensation account is required by January 31. The City maintains a self funded Workers Compensation program. Improvements in the City's fund balance may lessen the amount of the annual borrowing, thereby reducing interest costs. Interest costs for 2018 should range between 2.50% and 3.00%.

Revenue Category	2017 Budget	2017 Sept YTD	2018 Budget
Real Estate Taxes	\$33,557,370	\$27,779,362	\$33,827,806
Refuse Revenues	\$7,662,500	\$5,471,396	\$7,662,500
Real Estate Transfer Tax	\$3,376,000	\$2,146,903	\$3,376,000
Earned Income Tax	\$27,063,842	\$18,552,027	\$28,107,219
Mercantile/Business Privilege Tax	\$3,070,250	\$2,019,363	\$3,185,250
Parking Tax	\$0	\$0	\$0
Commuter Tax	\$0	\$0	\$0
LST	\$4,595,000	\$2,515,784	\$4,810,000
Amusement Tax	\$400,000	\$32,788	\$385,000
Utility Tax	\$68,000	\$0	\$75,000
Penalties & Interest	\$132,100	\$193,944	\$168,092
Licenses & Permits	\$2,356,700	\$1,523,877	\$1,906,004
Fines, Forfeits & Violations	\$478,350	\$274,393	\$360,850
Interest Earnings	\$10,000	\$65,138	\$30,000
Rents & Concessions	\$5,000	\$3,500	\$5,000
Intergovernmental Reimbursements	\$4,298,246	\$355,800	\$3,957,646
In Lieu of Taxes	\$219,865	\$64,059	\$250,000
Departmental Earnings	\$579,692	\$131,299	\$469,625
User Fees	\$52,500	\$34,466	\$49,500
MBROs	\$1,000	\$0	\$50,000
Miscellaneous Revenues	\$1,394,500	\$4,097,856	\$1,065,800
Bond Proceeds Other	\$0	\$0	\$0
Interfund Transfers	\$5,942,008	\$0	\$5,183,505
Total Revenues	\$95,262,922	\$65,261,955	\$94,924,798
Tax Anticipation Notes	\$13,383,183	\$13,383,183	\$12,750,000
State Loan Receipts	\$0	\$0	\$0
State Grant Receipts	\$0	\$0	\$0
Bond Issue Proceeds	\$1,000	\$0	\$1,000
Total Revenues	\$108,647,105	\$78,645,138	\$107,675,798

\$ 108,013,922.29 \$ 71,761,954.63 \$ 107,674,797.79

CITY OF SCRANTON					
2018 OPERATING BUDGET					
REVENUE SUMMARY					
	2017	2017 Actual Through (9.30.2017)	2018		
	Operating Budget		Operating Budget		
	\$	\$	\$		
CURRENT REAL ESTATE TAX	32,015,910.77	26,527,222.00	32,252,806.10		
DELINQUENT REAL ESTATE TAX	1,541,459.06	1,252,139.90	1,575,000.00		
LANDFILL/REFUSE FEES	7,662,500.00	5,471,396.00	7,662,500.00		
UTILITY TAX	68,000.00	-	75,000.00		
NON RESIDENT WAGE TAX	460,000.00	-	520,000.00		
LOCAL TAXES (ACT 511)	38,045,091.99	25,266,864.45	39,343,469.39		
PENALTIES & INT/DEL. TAX	132,100.00	193,944.30	168,092.00		
LICENSES & PERMITS	2,356,700.00	1,523,876.67	1,906,004.00		
FINES, FORFEITS & VIOLATIONS	478,350.00	274,392.87	360,850.00		
INTEREST EARNINGS	10,000.00	65,138.26	30,000.00		
RENTS AND CONCESSIONS	5,000.00	3,500.00	5,000.00		
INTERGOVERNMENTAL REIMBURSEMENTS	4,298,246.00	355,799.99	3,957,646.00		
IN LIEU OF TAXES	219,864.75	64,059.13	250,000.00		
DEPARTMENTAL EARNINGS	579,692.00	131,299.05	469,625.00		
RECREATIONAL DEPARTMENTS	52,500.00	34,465.75	49,500.00		
MISC REVENUES/CABLE TV	1,396,500.00	4,097,856.26	1,115,800.00		
INTERFUND TRANSFERS	5,942,007.72	-	5,183,505.30		
TAX ANTICIPATION NOTES	12,750,000.00	6,500,000.00	12,750,000.00		
TOTAL REVENUE	\$ 108,013,922.29	\$ 71,761,954.63	\$ 107,674,797.79		
	\$ 108,013,922.29	\$ 71,761,954.63	\$ 107,674,797.79		

Summary of 2018 Revenue



CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED REVENUES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 Actual (Through 08.30.2017)	2018 Operating Budget
	REAL ESTATE TAXES (calculated at 88%)			
Real Estate Taxes	Assessed Valuation: Land @ \$90,609,077 Improvements @ \$300,027,585 (09-2017)	13,376,022.55		13,501,829.37
Real Estate Taxes	CURRENT REAL ESTATE TAX-IMPROVEMENT'S MILLAGE RATE - 50.564 MILLS			
Real Estate Taxes	at 89%		\$26,527,222	
Real Estate Taxes				
Real Estate Taxes	CURRENT REAL ESTATE TAX - LAND MILLAGE RATE - 232.521 MILLS	18,639,888.22		18,750,976.73
Real Estate Taxes	DELINQUENT REAL ESTATE TAX	1,541,459.08	\$ 1,252,139.90	1,575,000.00
Real Estate Taxes	TOTAL REAL ESTATE TAXES	\$ 33,557,369.83	\$ 27,779,361.90	\$ 33,827,806.10
	LANDFILL / REFUSE FEES			
Refuse Revenues	LANDFILL TIPPING FEE - \$300 RATE IN 2016	5,912,500.00	4,461,803.00	5,912,500.00
Refuse Revenues	DELING REFUSE DISP FEE	1,750,000.00	1,009,593.00	1,750,000.00
	TOTAL LANDFILL/REFUSE FEES	\$ 7,662,500.00	\$ 5,471,396.00	\$ 7,662,500.00
Utility Tax	UTILITY TAX	68,000.00	-	75,000.00
Earned Income Tax	NON RESIDENT WAGE TAX	460,000.00		520,000.00
	LOCAL TAXES (ACT 511)			
Real Estate Transfer Tax	REAL ESTATE TRANSFER TAX (2.70)	3,375,000.00	2,146,903.00	3,375,000.00
Real Estate Transfer Tax	DELINQUENT REAL ESTATE TRANSFER TAX	1,000.00		1,000.00
Earned Income Tax	CURRENT WAGE TAX (2.4)	26,398,841.99	18,489,052.59	27,387,219.39
Earned Income Tax	DELINQUENT WAGE TAX	205,000.00	62,974.15	200,000.00
Mercantile/Business Privilege Tax	MERCANTILE TAX 1.0 MILLS	1,555,000.00	989,850.69	1,605,000.00
Mercantile/Business Privilege Tax	MERCANTILE-DELINQUENT	95,000.00	29,820.33	100,000.00
LST	LOCAL SERVICES TAX	4,596,000.00	2,515,783.61	4,810,000.00
Mercantile/Business Privilege Tax	DELINQUENT BUS. PRIV. TAX	140,000.00	145,818.17	200,000.00
Mercantile/Business Privilege Tax	BUS. PRIV. TAX 1.0 MILLS	1,280,250.00	853,863.93	1,280,250.00
Parking Tax	PARKING TAX	-		
Commuter Tax	COMMUTER TAX-PENDING COURT APPROVAL			
Amusement Tax	AMUSEMENT TAX	400,000.00	32,787.98	386,000.00
	TOTAL LOCAL TAXES (ACT 511)	\$ 38,045,091.99	\$ 25,266,864.45	\$ 39,343,469.39
	PENALTIES & INT / DELINQUENT TAXES			
Penalties & Interest	PENINT/DLQ REAL ESTATE	47,250.00	76,925.73	43,492.00
Penalties & Interest	PEN/DLQ BUS. PRIV. TAX	22,500.00	85,158.57	75,000.00
Penalties & Interest	ADVERTISING/RL EST. REGIS	100.00		100.00
Penalties & Interest	TAX, REFUSE, DEMOLITION LIEN AND CONDEMNATION SEARCH FEES	62,250.00	31,860.00	49,500.00
Penalties & Interest	FILING FEES- DELINQUENT ACCOUNT	-	-	-
	TOTAL PENALTIES & INT/DEL. TAXES	\$ 132,100.00	\$ 193,944.30	\$ 168,092.00

CITY OF SCRANTON 2018 OPERATING BUDGET BUDGETED REVENUES GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 Actual (Through 08.30.2017)	2018 Operating Budget
	LICENSES AND PERMITS			
01.320.32010	Licenses & Permits	195,000.00	83,857.00	116,470.00
01.320.32030	Licenses & Permits	21,225.00		20,610.00
01.320.32040	Licenses & Permits	45,000.00	35,000.00	34,400.00
01.320.32050	Licenses & Permits	140,000.00	62,257.00	112,150.00
01.320.32060	Licenses & Permits	40,000.00		32,500.00
01.320.32070	Licenses & Permits	70,000.00	96,750.00	85,000.00
01.320.32080	Licenses & Permits	6,000.00	2,910.00	3,500.00
01.320.32110	Licenses & Permits			
01.320.32120	Licenses & Permits	750,000.00	479,815.50	588,324.00
01.320.32130	Licenses & Permits	8,000.00	500.00	8,000.00
01.320.32140	Licenses & Permits	1,250.00		1,250.00
01.320.32150	Licenses & Permits	5,500.00	6,250.00	6,500.00
01.320.32160	Licenses & Permits	17,500.00	12,709.00	13,000.00
01.320.32170	Licenses & Permits	27,500.00	5,215.00	25,000.00
01.320.32180	Licenses & Permits	90,000.00	61,250.00	92,500.00
01.320.32190	Licenses & Permits	7,250.00	2,850.00	5,000.00
01.320.32200	Licenses & Permits	100.00		100.00
01.320.32210	Licenses & Permits			
01.320.32240	Licenses & Permits	35,000.00	27,045.00	35,000.00
01.320.32250	Licenses & Permits	40,000.00	30,236.00	40,000.00
01.320.32290	Licenses & Permits	12,500.00	9,250.00	12,500.00
01.320.32295	Licenses & Permits			
01.320.32300	Licenses & Permits	750.00	200.00	500.00
01.320.32320	Licenses & Permits	20,000.00	19,875.00	21,000.00
01.320.32330	Licenses & Permits			
01.320.32332	Licenses & Permits	250.00		100.00
01.320.32335	Licenses & Permits	4,500.00	16,250.00	4,500.00
01.320.32336	Licenses & Permits	3,000.00	4,440.00	4,500.00
01.320.32337	Licenses & Permits	3,500.00	2,900.00	3,500.00
01.320.32340	Licenses & Permits			
01.320.32345	Licenses & Permits	5,000.00	4,200.00	5,000.00
01.320.32360	Licenses & Permits	7,500.00	1,553.00	5,000.00
01.320.32380	Licenses & Permits	100.00		100.00
01.320.32390	Licenses & Permits	5,000.00	4,400.00	5,000.00
01.320.32400	Licenses & Permits	4,000.00	2,355.00	3,500.00
01.320.32420	Licenses & Permits			
01.320.32430	Licenses & Permits	485,000.00	196,900.00	310,000.00
01.320.32450	Licenses & Permits	10,000.00	7,098.00	1,000.00
01.320.32460	Licenses & Permits	275,000.00	263,466.17	275,000.00
01.320.32460	Licenses & Permits	37,500.00	30,700.00	37,500.00
	TOTAL LICENSES & PERMITS	\$ 2,356,700.00	\$ 1,523,876.67	\$ 1,906,004.00

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED REVENUES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 Actual (Through 08.30.2017)	2018 Operating Budget
	FINES, FORFEITS & VIOLATIONS			
01.330.33000	Fines, Forfeits & Violations			100.00
01.331.33100	Fines, Forfeits & Violations	175,000.00	147,608.19	185,000.00
01.331.33118	Fines, Forfeits & Violations			
01.331.33119	Fines, Forfeits & Violations			
01.331.33120	PARKING TICKETS-			
01.331.33121	PARKING TICKETS-POLICE ISSUED	37,500.00	9,075.00	15,000.00
01.331.33122	CIVILIAN PARKING TICKETS	197,500.00	69,180.00	100,000.00
01.331.33123	QUALITY OF LIFE TICKETS-	42,500.00	27,110.00	35,000.00
01.331.33130	FINES & PENALTIES - STATE	25,000.00	21,244.68	25,000.00
01.331.33145	PARKING METER PERMITS			
01.331.33155	TAXI DRIVER PERMITS	750.00	175.00	750.00
01.331.33165	POLICE TOWING/STORAGE FEES			
	TOTAL FINES, FORFEITS & VIOLATIONS	\$ 478,350.00	\$ 274,392.87	\$ 360,850.00
	INTEREST EARNINGS			
01.341.38525	INTEREST-CASH-CHECKING	10,000.00	65,138.28	30,000.00
	TOTAL INTEREST EARNINGS	\$ 10,000.00	\$ 66,138.26	\$ 30,000.00
	RENTS AND CONCESSIONS			
01.342.34200		\$ 5,000.00	\$ 3,500.00	\$ 5,000.00
	INTERGOVERNMENTAL REIMBURSEMENT			
01.350.35002	OECD REIMB - DEMOLITION PROGRAM			
01.350.35020	SUPL STATE AID PENSION	3,250,000.00		3,450,000.00
01.350.35060	DCA ACT 47 LOAN	28,380.00		21,780.00
01.350.35100	FEMA EMERG PMTS			
01.350.35115	ACT 13 UNCONVENTIONAL GAS WELL FUND USAGE			
01.350.35130	FEMA PAYMENTS- FIRE SAFER GRANT	734,000.00	138,401.51	200,000.00
01.350.35140	REIMBURSEMENT SCHOOL RESOURCE OFFICERS	285,866.00	217,398.48	285,866.00
	PRIOR YEAR REIMBURSEMENT SCHOOL RESOURCE OFFICERS			
	TOTAL INTERGOVERNMENTAL REIMBURSEMENTS	\$ 4,288,246.00	\$ 355,799.99	\$ 3,957,646.00
	IN LIEU OF TAXES			
01.359.35900-35940	In Lieu of Taxes	\$ 219,864.75	\$ 64,059.13	\$ 250,000.00

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED REVENUES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 Actual (Through 08.30.2017)	2018 Operating Budget
	DEPARTMENTAL EARNINGS			
01.360.36010	Departmental Earnings			
01.360.36020	Departmental Earnings			
01.360.36030	Departmental Earnings			
01.360.36035	Departmental Earnings			
01.360.36040	Departmental Earnings			
01.360.36050	Departmental Earnings			
01.360.36060	Departmental Earnings			
	PARKING METERS			
	BOARD OF ZONING/PLANNING COMMISSION			
	PAVE CUTS - PAWC			
	PAVE CUTS - UGI ENERGY			
	PAVE CUTS - OTHER			
	REPORT COPIES-FIRE/POL			
	FIRE/POL BURGLAR ALARMS			
	TOTAL DEPARTMENTAL EARNINGS			
	USER FEES			
	MISC REVENUES/CABLE TV			
	OTHER-NOT CLASSIFIED			
	PA LCB LICENSE FEES			
	CATV REVENUE			
	DONATED REVENUE			
	OTHER FINANCING SOURCE			
	MARKET-BASED REVENUE OPPORTUNITIES			
	REPAYMENT FROM ICE BOX DEVELOPMENT			
	PROCEEDS 2014 BOND ISSUANCE			
	PROCEEDS 2016 BOND ISSUANCE			
	SALE OF ASSETS			
	PROCEEDS 2017 BOND ISSUANCE			
	PROCEEDS OF 2018 BOND ISSUANCE			
	TOTAL MISC REVENUES/CABLE TV			
	INTERFUND TRANSFERS			
	TRANSFERS IN FROM OTHER FUNDS			
	TRANSFERS IN FROM LIQUID FUELS			
	TOTAL INTERFUND TRANSFERS			
	TAX ANTICIPATION NOTES			
	TAN SERIES A			
	TAN SERIES B			
	TOTAL TAX ANTICIPATION NOTES			
	TOTAL REVENUE			

2018 General Fund Budget - Expenditures

Summary Highlights

The 2018 budget is a continuation of the process of fiscal restoration and incorporates a value added component to the use of limited resources. In addition to fulfilling the contractual responsibilities the City maintains with the respective unions, through salary, staffing, and manning requirements, the City is seeking to effectively deliver all services, not just those assumed by our union employees, in an effective manner whereby residents and businesses will receive value for their tax dollars. In order to create balance in the City salary structure, and to incent those nonunion employees to fulfill this desire to deliver services on a value added basis, the City will continue authorize incremental salary increases for a limited number of non-union employees in the 2018 budget. The final year of the 2014 Department of Community and Economic Development Act 47 grant supporting salaries in the Office of Business Administration concluded in 2016. A second Act 47 grant received by the City in 2016 supplemented the salaries of eleven nonunion employees with \$86,000 in grant funds over a three year period. Further salary increases will be components of the operating budget and should be evaluated more methodically following a third party salary and compensation review.

The City of Scranton employee base must be viewed as an asset when evaluating the delivery of services. Limited and targeted additions to staff are included in the budget only when a determination is made that those positions either add measurable value and efficiency to the departmental operation, or are offset by either program savings or revenue production. Following the completion of the salary and compensation initiative, the City should revisit the prior recommendation of rotating salary increases for non-union employees. Salaries of nonunion employees should reach a level of equilibrium to effectuate this plan. Hence, as another step in reaching this level of salary equilibrium, \$83,050 in salary increases is recommended for key nonunion employees, or approximately .30% of the total salary budget. Salary increases for Office of Community and Economic Development employees are considered a non-addition to the budget because of the use of federal government funds to meet payroll.

To more effectively maintain and deliver services, limited additions to staff will occur in the Solicitor's Office, the Mayor's Office, and the Department of Public Works. The Solicitor's Office will employ another full time Solicitor. The Mayor's Office will change the part time administrative assistant's position to full time. The position is presently vacant. The Department of Public Works will employ a second foreman. The City will also seek to hire a full time Department of Parks and Recreation Director. As a reflection of historical structure, the function, presently imbedded in the Department of Public Works will become a fully functional department.

The City continues to improve the delivery of services through an aggressive capital improvement and acquisition program. Major parks initiatives are either planned or underway. Measurable roadway improvements will continue in the 2018 budget. Capital acquisitions will continue but will be limited to

cash acquisitions. Generally, the prospect of deployment of sewer transaction proceeds is either not a component of the operating budget or has not been fully defined.

Technological improvements will influence the City's future success by assuring a more effective delivery of services, with limited staffing availability, at reasonable costs. The redefinition of the delivery of City services will be achieved through the use of technological innovations. The City will continue to evaluate third party contracts as an alternative to staff additions, where those contracts add value and efficiency to departmental operations.

That the City has benefited immensely from the execution of the sewer and parking transactions has been the subject of much discussion. The 2018 operating budget solidifies the foundation of the ongoing and endless effort to achieve an optimal level of service delivery.

Mayor's Office

Department Description

The Mayor might be considered the Board Chairman and Chief Executive Officer of the City. The Mayor's Office is administered by an Executive Secretary and has been supported by a part-time Administrative Secretary, which was an addition to the budget in 2015. The position has been vacant for much of 2017. To attract the appropriate candidate, the position status will be changed to full time.

The Mayor's Office coordinates the activities and initiatives of City government to ensure that services are provided in an efficient and effective manner and citizens have a voice in the responsible delivery of those services.

2018 Budget Highlights

- The dues to the membership subscription in the Pennsylvania League of Cities were deferred by the League until 2016 and will continue in 2018.
- The administrative assistant position will be changed to full time status.

City Clerk/ City Council

Department Description

**The Scranton City Council constitutes the legislative branch of the City government. As such, it enacts all ordinances, resolutions, levies taxes, appropriates monies for government operations, and holds weekly public meetings.

The City Council is comprised of five elected members. Activities include attendance at committee meetings and individual involvement with City Departments, the Mayor, City residents, and civic organizations.

2018 Budget Highlights

- Funding is continued under Services and Maintenance budget for the Granicus system, which has proven very advantageous to disseminate information.
- Professional services includes costs associated with audit completion, stenographic services, and legislative document storage costs.

City Controller

Department Description

The City Controller maintains an encumbrance system of budget operations. The Controller's Office works closely with the Office of Business Administration and department heads to compile such information regarding city properties and obligations, and monitors and reviews city income and expenditures as are deemed necessary to carry out these duties. The Controller furnishes the Mayor and Council with monthly reporting on these matters. The reports are typically submitted within two (2) weeks after the close of the month. The Controller also submits such other reports as necessary and proactively assists all City departments with information to fulfill bidding and purchase requirements properly.

The City Controller reviews all vouchers for the expenditure of city monies for verification that such expenditures are within the respective budget allotment. The City Controller authorizes and signs vouchers before presentation to the City Treasurer for payment. In so doing, all pre-audit claims and demands against the city prior to the payment function are supported. Approval for payment vouchers are made only if the Office is satisfied that payments are processed in accordance with law.

2018 Budget Highlights

- An outlay of \$40,000 was budgeted in the Professional Services category to completed audits for the Single Tax Office.
- The Controller's Office will assume responsibilities as City liaison to the cable provider Comcast. Those responsibilities are presently assumed by the City Clerks Office.

Business Administration

Department Description

The Department of Business Administration is directly responsible for planning, direction and monitoring of departmental activities, both within the Department of Business Administration and throughout the City. The operating divisions of the Department delivering general government services include: Administration, Human Resources, Information Technology, and Treasury. The overall function of the Office of Business Administration supports initiatives involving policy formulation, human resource management, accounting support, purchasing, technology support, and fiscal management and major City initiatives. The Department evaluates administrative and operational functions and reviews business processes, thereby ensuring optimal use of available resources.

The **Bureau of Administration** develops the City's annual budget; implements the Mayor's financial and management policy agenda for departments; and monitors budget performance throughout the year. It also assesses the City's economic environment, forecasts revenues, monitors revenue collections, and evaluates new revenue and expenditure proposals, providing the basis for operational and strategic planning. This bureau is also responsible for the procurement of goods and services for the various City Departments.

The **Bureau of Human Resources** provides personnel, payroll, and support functions including benefit administration, recruiting, and hiring services. This office provides support and resolution pertaining to employee issues, staff development, safety initiatives, contract negotiations, and disciplinary matters to ensure compliance with City rules, policies, and procedures. The Department has direct responsibilities with oversight of the City's insurances and workers compensation programs.

The **Bureau of Information Technology** is the central information technology and telecommunications source for all departments within the City of Scranton. With the many technological changes impacting the City operation, the Information Technology department has become the central hub controlling all City operations. The department's value is immeasurable. This department provides project management, business analysis, data network, telephone, application development, software and hardware support and electronically delivered communication services for internal users, as well as the evaluation of new initiatives in this rapidly changing technological environment.

The **Bureau of Treasury** collects, reconciles, records, and deposits City revenues; disburses money as required by City rules; manages the City's cash and investments; and acts as the fiscal custodian of all funds received by the City of Scranton. The Department also has direct oversight responsibilities for the billing and collection of refuse payments.

2018 Budget Highlights

Bureau of Administration

- The **Bureau of Administration** budget will continue with the current staffing complement.
- Increases in health insurance for clerical and nonunion employees are forecast to increase by 5 to 10%. The Department of Human Resources is presently undertaking a Request for Proposal process for health insurance administration which is expected to favorably impact the forecast increase.
- The non-uniform pension contribution will decrease by 10% due to adjustments in the City's actuarial requirements. The next plan valuation will be dated January 1, 2017.
- Operating transfers to the Workers Compensation Trust Fund will increase by 11.2%. This funding requirement occurs annually and is actuarially determined. The City maintains a self funded Workers Compensation program. Favorable recent activity impacted by more effective program management is expected to reduce this cost in coming years.
- Bank fees and charges are more reflective of actual bank account activity and do not incorporate transaction related fees.

Bureau of Human Resources

The **Bureau of Human Resources** salary budget was increased in 2016 to include an addition to staff to manage the City's Workers Compensation program. While the City's historic program management has not been viewed favorably by the Commonwealth of Pennsylvania, great strides have been made in costs savings through case settlements undertaken by this position. The Workers Compensation program is self-funded and the prior three year certification filings have occurred on a timely basis

following tardy prior submissions. This addition to staff has had a critical role in addressing those concerns expressed by the Department of Labor and Industry regarding the effectiveness of the management of the City program. Improvements will continue with safety management and claims administration.

- The Professional Services budget includes costs associated with the random drug testing program, safety and wellness programs, legal and arbitration fees associated with Compensation and Heart and Lung cases;
- The stationary/office supplies budget includes costs of equipment acquisitions associated with the departmental safety and environment review as authorized by the City of Scranton Safety Committee;
- Insurance costs are forecast to increase by 23.6% due to organic growth in in the City's property and casualty insurances and settlements associated with law office activity.

Bureau of Information Technology

The **Bureau of Information Technology** continues to drive the progression of the City through the upgrade of hardware and software in each department. The Department also coordinates efforts to evaluate the delivery of services to the City, such as telephone services. The City completed the upgrade of the financial accounting system software in the second quarter of 2015. The system was last upgraded in 2004. With the greater reliance on technology for the operation of City departments, especially the police department, the City added another Information Technology Manager to assist, primarily, with overall departmental support and also to allow for more effective implementation of technological initiatives across the City departments. This hire was completed in 2015.

- The Department continues to dedicate efforts to the implementation of the Police Records Management System. The Department is actively supporting this installation of the wireless Law Enforcement Records Management System in conjunction with the upgrade of the County of Lackawanna 911 system. The City is the first municipality in Lackawanna County to install the system;
- The Professional Services and Services and Maintenance fee budgets include costs associated with annual maintenance contracts, CCTV system, and video wall support;
- The Materials and Supplies and capital Expenditures budgets incorporate the continued need for computer replacement to replace outdated units. The budget also includes funds required to replace servers in City facilities and for the purchase of the latest version of Microsoft Office for desktop computers. The City continues to replace outdated servers and network switches.
- The telephone system budget will be maintained to support the effort to replace the existing telephone system, which is outdated and subject to connection issues. The City will likely lease the new system.

Bureau of Treasury

The **Bureau of Treasury** budget remains consistent with 2017. The Professional Services budget incorporates funding for the refuse billing contract.

- The Office of Business Administration has assisted with the completion of Phase I of the change in the refuse billing and collection system. The migration, when completed, will provide a cost efficient method to bill and collect refuse payments. The City also expects to evaluate a Commonwealth supported initiative to evaluate the structure of the refuse collection program to determine alternate methods of service delivery, which also may result in favorable program costs;
- The cost associated with the Tax Collection Committee expense is a pro-rated assignment based on an allocation of costs to the other participating Lackawanna County municipalities.

Office of Economic and Community Development

Department Description

The Office of Economic and Community Development ("OECD") manages the U.S. Department of Housing and Urban Development ("HUD") entitlement grants for the City of Scranton, as well as other funding for housing and neighborhood development initiatives. The Department leverages public and private funds to provide affordable housing, promote safe and livable neighborhoods, and stimulate economic development in Scranton.

2018 Budget Highlights

The Department initiatives support many economic development programs and capital improvements undertaken by the City. Departmental salaries are considered non-additions to the General Fund budget and receive federal funding support. Salary increases were included in the budget for Departmental employees. The City Planner position was transferred to the Department of Licenses and Permits.

Department of Licenses, Inspections & Permits

Department Description

The Department of Licenses, Inspections & Permits ("LIPS") has multiple responsibilities in support of varied City functions. The primary responsibility of the Department is the planning and regulation of land use and development in Scranton. The Department reviews building plans and site plans, processes zoning applications, and conducts inspections. This Department is also responsible for the administration and enforcement of the City's Construction Code and Zoning and Subdivision ordinances. The purpose of the Construction Code is to provide standards to safeguard life, health, property, and public welfare by regulating and controlling the design, construction, quality of materials, use, occupancy, location and maintenance of all buildings and structures within the City of Scranton. The Department oversees the maintenance and improvements of all City buildings.

2018 Budget Highlights

- The departmental initiative for 2018 and subsequent years will be automation. Providing a more user friendly method of permit issuance and payment will be a critical evaluation component. The Information Technology Department will assist with system wide improvements including the acceptance of credit cards and electronic payments;
- The Department will continue to review and reconstruct Rental Registration activities with the revised program legislation. The Department has made strides through both internal and third party support to identify rental units;
- The City Planner has been assigned to the Department;
- The Building Demolition line item has been expanded for greater activity in 2018
- The Professional Services budget includes an allowance for third party retention for initiatives including an evaluation of departmental permitting;
- The Capital Expenditures budget includes funds for improvements to the interior of City Hall, specifically including carpeting in areas not subject to exterior damage.

Department of Licenses, Inspections & Permits - Buildings

Department Description

The Department of Licenses, Inspections & Permits – Buildings (“Buildings”) provides comprehensive facility management and planning for all City Departments. This department is responsible for the operation and maintenance of City buildings, including City Hall, Police and Fire facilities, and the Department of Public Works.

2018 Budget Highlights

- The overall budget remains consistent with 2017 with the additional funding added to the Professional Services budget. The City will need to consider a comprehensive evaluation of the Municipal Building. The building has significant structural deficiencies.
- The City will continue to manage utility costs as effectively as possible, especially given the age and inefficiency of the municipal building.

Department of Law

Department Description

The Law Department serves as legal advisor to the Mayor and department heads of the City; represents the City in negligence actions; prosecutes all suits initiated on the behalf of the City; defends all cases brought against the City; and provides legal services to all City departments as well as the Single Tax Office, including preparing contracts and drafting ordinances.

2018 Budget Highlights

- Due to the volume of activity in the Office of the Solicitor, including the volume of varied legal issues confronted by the City annually, the department will add a full time assistant City solicitor. The salary will be partially funded through a reduction in the Professional Services budget. The expectation will be to manage as much legal activity internally and employ a targeted approach to the use of outside counsel.

Public Safety – Scranton Police Department

Department Description

The Scranton Police Department is responsible for the overall management, resource allocation and strategic direction of this component of public safety. This service delivery includes the development, evaluation and implementation of policies, procedures, programs, community initiatives, employee training and recruitment. The Department implements and manages police services for the City. The Department also establishes staffing levels necessary to provide adequate levels of policing. The Department plans, staffs, and implements police responses to major planned and unplanned events, natural disasters, major emergencies, and coordinates with other City departments and law enforcement agencies for such events. The Department is increasingly more technologically oriented which reflects the trend in effective public safety management. Costs associated with the many technological initiatives involving each department are reflected throughout the City budget and are specifically coordinated through the Department of Information Technology.

2018 Budget Highlights

- The Departmental budget decreases by 7.10 % due primarily to the reduction of 33.17% in the pension minimum municipal obligation;
- Health care costs are projected to increase by 4.30%, although the increase may be abated by program changes resulting from the receipt of administration proposals;
- The Professional Services and Services and Maintenance budgets are consistent with the increase in the use of designated software and associated maintenance fees;
- Overtime salary levels are expected to remain consistent with the 2017 budget. A component of this budget is subject to reimbursement;
- SIT/Clerical numbers will remain at 18 with the reassignment of two SIT Clerks to the civilian Parking Enforcement positions;
- The Capital Expenditure budget will increase by \$160,000 for continued technology acquisition including servers for the Mobile Video recording system and connection with the University of Scranton video system. The budget also includes a component for sidewalk replacement. The City's insurance risk manager has required sidewalk replacement at police headquarters and the Department of Public Works for safety reasons;
- With the inclusion of the Animal Control budget in the overall departmental responsibilities, the City will continue to maintain a more realistic contribution level to the Griffin Pond Animal Shelter which is the recipient organization of the City's animal control program. Prior to

authorizing any contribution, City officials will meet with the Center Board of Directors to understand how the relationship will be impacted by the recent personnel changes and structural changes to the facility. The delivery of animals to the Shelter had reached what may be deemed crisis proportions in 2014. The numbers have decreased from 2015 to 2016 although the number of animals delivered to the Shelter has averaged in excess of 1,000 over the prior five years. Due to both procedural and structural changes at the facility, the delivery number in 2017 has been much reduced. If the relationship with the Center remains advantageous to the City, the contribution level will continue to use an arithmetic calculation which includes a contribution per animal delivered to the Shelter. The calculation was suspended in 2017 due to the changes noted previously. The budget amount will be consistent with 2016. With a dispersion of responsibilities for the maintenance of the program, funding in this budget will also include contributions to the Springbrook Kennel, the Veterinary Emergency Referral Center, the Abington Veterinary Center, and St. Dogs and Cats.

Public Safety – Scranton Fire Department

Department Description

The Scranton Fire Department serves the needs of the Scranton community and its citizens through fire and emergency services. It also conducts a variety of prevention efforts and public education programs to promote fire safety throughout the community. Eight fire stations are manned and operated by the Department.

2018 Budget Highlights

- While the City expects future staffing to remain relatively constant without SAFER grant support;
- Health insurance costs are expected to increase by 3.54 in 2018;
- Pension contributions are projected to decrease by 25.41%;
- The Fire House improvement project will continue into 2018. An amount of \$1,500,000 was included in the 2017 budget to fund facilities improvements. This amount was received in conjunction with the parking facilities monetization debt issuance. The amount included in the

2018 budget will fund the remaining costs of the project and replace concrete pads and sidewalks at each of the firehouses;

- Capital acquisitions will be limited in 2018.

Department of Public Works

Department Description

In 2018, the Department of Public Works will be comprised of five bureaus; Administration, Engineering, Highways, Refuse, and Garage. The bureau of Parks & Recreation will be designated as a separate department which is consistent with historical City of Scranton operating standards. The Department's responsibilities include year-round roadway maintenance and repair, weekly household trash collection services, design and construction management of streets, bridges, and public buildings, traffic engineering, street lighting and traffic signal maintenance coordination, and office operations.

The **Bureau of Administration** provides overall policy direction, management, and communication for the Department. The bureau coordinates financial initiatives related to the Department, as well as purchasing, and payroll services.

The **Bureau of Engineering** manages all activities involving technical support associated with private development and use of the City's street rights-of-way.

The **Bureau of Highways** is responsible for roadway maintenance, sweeping, and snow removal on public streets and alleys.

The **Bureau of Refuse** provides weekly trash collection services, including large item acceptance. The bureau is also responsible for the City's residential recycling program.

The **Bureau of Garage and Equipment Maintenance** services and procures vehicles and other equipment for the City of Scranton, including the oversight of the parts inventories, tools and other supplies, as well as the City's fuel purchase program.

2018 Budget Highlights

Department of Public Works – Administration

- The health insurance funding is projected to increase by 4.30;
- The Professional Services budget will increase to complete an energy efficiency evaluation on the Public Works facility;
- The Capital Expenditures budget is funded to refinish the sidewalks fronting the facility, as recommended by the City's Insurance Risk Manager.

Department of Public Works – Engineering

- The budget is consistent with 2017.

Department of Public Works – Highways

- The street lighting budget is consistent with 2017 as PP&L continues to implement the rate code changes for the City's change to LED lighting;
- The Capital Expenditures budget was reduced to reflect the capital acquisitions over the prior four years. The budget includes an amount needed to acquire a fully outfitted small dump truck through direct purchase;
- The roadway resurfacing budget, new for 2017, is increased to \$875,000 consistent with the increase in the City's 2018 Liquid Fuels allocation.

Department of Public Works – Refuse

- The Capital Expenditures budget includes an amount to purchase a 20 yard refuse packer as a direct purchase.

Department of Public Works – Garage

- The Gas/Oil/Lubricants budget was decreased as indicative of greater fleet efficiency;
- The Capital Expenditures budget was funded to acquire new garage maintenance equipment.

Department of Parks and Recreation

The **Bureau of Parks & Recreation** provides a broad range of recreational programs and services to the residents of the City of Scranton, as well as maintenance and oversight of the City's parks system. The City's parks system encompasses 28 parks including 7 pools, 2 waterslides, and a dog park. The recent addition is the elevated park adjacent to the 500 Lackawanna Avenue residences. The park system offers many recreational activities to the residents of the City of Scranton. Additionally, the bureau provides logistical support to the many organization sponsored activities held within the geography of the City of Scranton. The rationale for the departmental segregation is based on the general deterioration of the parks system and the significance of projects in process, including improvements to Novembrino Park and Crowley Park, and prospective projects including the Linden Street Park, the joint soccer field project with the school district, the pedestrian bridge project undertaken by the Lackawanna Valley Heritage Authority, and the Trailhead Project at Parker Street. These projects are presently overseen by the Office of Business Administration.

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- Capital expenditures include a component for funding improvements to the Novembrino Recreation Complex. The state Department of Natural Resources and Conservation approved a grant application submitted by the City for \$288,000. An amount of \$220,000.00 has been designated by the Office and Economic and Community Development and the funding component of \$23,000 assigned by the Sewer Authority. The Capital Expenditures budget incorporates an additional \$300,000 to fund the project;
 - The Capital expenditures budget also includes \$325,000 for Crowley Park, in addition to the \$126,000 presently designated for the park improvements, \$100,000 for the pedestrian bridge project undertaken by the Lackawanna Heritage Valley Authority on North 7th Avenue, \$100,000 for the joint soccer field project with the Scranton School District and the Electric City Shock, and \$25,000 for the green space development on Linden Street.
 - The increase in salary is based on the appointment of a departmental level Director.

- The City will continue to seek Weston Fund allocations for the continued maintenance of Weston Field and Weston Park. A plan to prepare a five year budget for improvements to the parks is recommended. The plan design will be funded by the Foundation.

Single Tax Office

Office Description

The Scranton Single Tax Office was created to administer the tax laws of the City of Scranton and the Scranton School District and to provide one single location for residents to conveniently pay various taxes. The Collector of Taxes, an elected official, supervises an office staff which strives to assess and collect all taxes in a fair and equitable manner. The City and School District assume an equal responsibility for the incurred wages and benefits associated with this office. In 2012, Berkheimer Associates began collecting the Wage Tax through an appointment from the Tax Collection Committee as designated under Commonwealth of Pennsylvania Act 32. The Tax office collects:

- Current Real Estate Taxes for Lackawanna County, the Scranton School District, and The City of Scranton;
- Act 511 taxes including current and delinquent Scranton School District and City of Scranton Business Privilege and Mercantile Taxes, Amusement taxes, and the Local Services Tax;

2018 Budget Highlights

- The City continues to working cooperatively with the Tax Office to execute an analytics program designed to better identify tax payers responsible for the Business Privilege and Mercantile Taxes. The program may also be utilized for other Act 511 taxes if appropriate. This service will be paid from the Targeted Services budget under Non-Departmental Expenditures;
- The health care budget for the Tax office is projected to increase by 23%, which is more consistent with actual expenditures in 2017.

Non-Departmental Expenditures

Budget Description

The budget category of Non-Departmental Expenditures includes three distinct components:

- (1) Funding and Contributions for Boards/Commissions/and Non-Profits with City based functions.

- (2) Total principal and interest payments on direct debt obligations of the City, and listed separately, lease payments due during the fiscal year;

- (3) Total Miscellaneous, which includes prior year unencumbered and unpaid bills, court awards, and contingency expenditures.

Boards Commissions and Non-Profits

- The Scranton Plan contribution reinstates a financial commitment to the Plan suspended by the City. The budget includes the \$10,000 annual contribution and \$50,000 as a matching component for the Chamber of Commerce to install sidewalks at the Mt. Pleasant development site. The disbursement will occur only based on an actual project match
- The Scranton Tomorrow budget is reflective of the City's annual contribution to the organization as Downtown Economic Development Coordinator and as a prelude to the construction of a Business Improvement District. The City will also consider an initial contribution to the organization through a targeted sewer proceeds allocation;
- The St. Cats and Dogs budget was increased to accept any overflow of animal volume which exceeds the capacity of Griffin Pond. The volume of cats has transitioned to a degree from Griffin Pond to St. Cats and Dogs due to those capacity issues. The City continues to evaluate options to the exclusive use of the Griffin Pond Animal Center, which was more prevalent with operational issues confronted by the Center in 2017;
- The Shade Tree Commission budget will increase by approximately \$40,000 to maintain consistency with the continued success of the program achieved in 2016. The budget also includes funding to continue the stump removal program;
- The Human Relations Commission budget is based on the reinstatement of the commission and has been decreased based on a lack of current year expenditures;
- While the City has consistently paid for trail maintenance according to a contract with the Lackawanna Heritage Valley Authority, the obligation has not been identifiable within the Operating Budget. The funding responsibility is based on an arithmetic formula per each mile

of train with the City geography. The agreement expires in 2016 and will be advanced for legislative approval. The budget includes maintenance responsibilities for 2017 and 2018.

Total Principal and Interest Payments, Debt Obligations/Lease Payments

The City of Scranton will continue to dedicate a percentage of the real estate tax levy for debt service. The allocation does not include lease payments. The concept was modified from the 2016 budget which included dedicated debt service millage. Because of the complexity of calculating four millage components, the concept was collapsed to the traditional two millage components with a designated percentage for debt service. The 2018 Operating Budget concludes a complete re-profiling of the City's debt structure. In addition to the new debt issues related to the comprehensive parking transaction and the award settlement, the City completely refunded or defeased all remaining higher yielding debt. The only remaining pre-2014 debt series remaining is that of the 2002 Emmaus General Authority variable rate issue, which maintains a favorable yield.

A description of City debt transactions since 2014 follows:

New Debt Issuance Since 2014

Refinancing of 2009 and 2011 Defaulted Parking Loans

Issuer: The Parking Authority of the City of Scranton, Pennsylvania

\$3,828,480 Refunding Revenue Note, Series of 2014

Purpose: To refund, on an interim taxable basis, parking related loans that defaulted in 2012.

Average Rate of the Issue: 6.75% (has since been paid off as planned)

Settlement: December 2014

Pennsylvania Infrastructure Bank Loan

Issuer: The City of Scranton

\$2,420,000 General Obligation Note, Series of 2015

Purpose: (1) Funds for roadway improvements

Combined Average Rate of the Issue: 1.625%

Settlement: 2015

Financing of Judgment

Issuer: The Redevelopment Authority of the City of Scranton

\$29,810,000 Guaranteed Lease Revenue Bonds, Series A of 2016

\$7,920,000 Guaranteed Lease Revenue Bonds, Series AA of 2016 (Taxable)

Purpose: (1) Payments to City employees related to the 2012 Supreme Court Award, approximately \$1.6 million of which was deposited into the City's Pension Funds (negotiated per the Judgment) and (2) Approximately \$5.6 million to refund the outstanding Guaranteed Lease Revenue Bonds, Series of 2008 for interest rate savings
Combined Average Rate of the Issue: 4.56% (Series A: 3.98%) (Series AA: 5.95%)
Settlement: June 28, 2016

Financing of the Stranded Debt Related to the Parking System

Issuer: City of Scranton
\$32,850,000 General Obligation Notes, Series of 2016
Purpose: (1) Finance "stranded" debt related to the Parking System after receipt of the Concession payment, (2) provide approximately \$1.8 million funds for certain fire stations located in the City
Average Rate of the Issue: 3.73%
Settlement: August 30, 2016

Refinancing of the City's General Obligation Bonds, Series B of 2003

Issuer: City of Scranton
\$24,620,000 General Obligation Bonds, Series of 2017
Purpose: Refund the Series B of 2003 Bonds for approximately \$1.2 million in interest rate savings
Average Rate of the Issue: 3.63%
Settlement August 31, 2017

Bonds Paid Off Since 2014

Parking Related Debt

With the receipt of the Concession proceeds and the issuance of the Series of 2016 Notes, the City and Authority paid off the 2014 Bank loan, and the Guaranteed Parking Revenue Bonds Series 2004, 2006 and 2007 which totaled approximately \$51 million of principal.

Use of Sewer Proceeds & Other City Funds

The City has utilized a portion of the proceeds it received as a result of the sewer sale, committed debt service funds, and a contribution from bond insurer AMBAC to pay off several series of debt.

Approximately \$18.9 million to payoff the City's General Obligation Bonds Series A, B & C of 12 and Series A of 2013 which had rates ranging from 7.25% to 8.50%

Approximately \$8.9 million to payoff the Scranton Redevelopment Authority Guaranteed Lease Revenue Bonds, Series of 2006 which had rates of 6.10%

Approximately \$20 million to payoff the City's General Obligation Bonds, Series C & D of 2003 which had rates ranging from 4.90% to 5.60%.

To summarize, in 2014 the City had debt obligations (principal and interest) totaling approximately \$237 million (2039 final maturity) and an approximate annual debt service payment of \$14 million per year. It was also faced with defaulted parking loans, a parking system which was a drain on the General Fund with major capital needs which would further strain the General Fund, a large court judgement, and rapidly increasing MMO costs.

After the most recent refunding transaction, the City was left with an approximate annual debt service payment of \$10.6 million and a relatively short debt portfolio which pays off in 2032- 15 years from now. Over the life of the remaining bonds, the City will pay approximately \$148 million of debt service and its highest interest rate is 5.25%.

To highlight the only anticipated debt transaction in 2018:

- The Tax Anticipation Note will be issue at approximately the same amount as 2017. The transaction will be completed on a negotiated basis as a private sale with IFS Securities, which is allowed under the Local Government Unit Debt Act. The transaction structure will be more traditional with a single principal and interest payment at maturity. The private placement will yield 2.75%, which is a 25 basis point increase from the 2017 TAN.
- Additional lease payments are budgeted for (1) fire department ladder truck and (2) the lease refunding of the 2014 Department of Public Works lease which incorporate the acquisition of two new refuse packers and four dump trucks.

Total Miscellaneous, including Contingencies and Unencumbered Expenses

- The Contingency budget is funded for non-budgeted emergencies, or when an individual budget is vastly exceeded due to emergencies;
- Unencumbered expenses are payments carried over from the prior fiscal year which have not been subject to encumbrance;
- The court award budget is expected to fund the remaining Award Settlement payments not resolved by the conclusion of 2017 and any litigation settlements resolved by the Law Department;
- The Veterans Organization budget includes a \$50,000 contribution for Phase II of the Veterans Memorial project and \$25,000 for the Duffy Memorial;
- The OPEB Trust Fund allocation is based on a recommendation from the City's auditor. The fund would be established for Other Postemployment Benefits, which may include Medicare reimbursements. The Government Finance Officers Associations recommends as a best practice

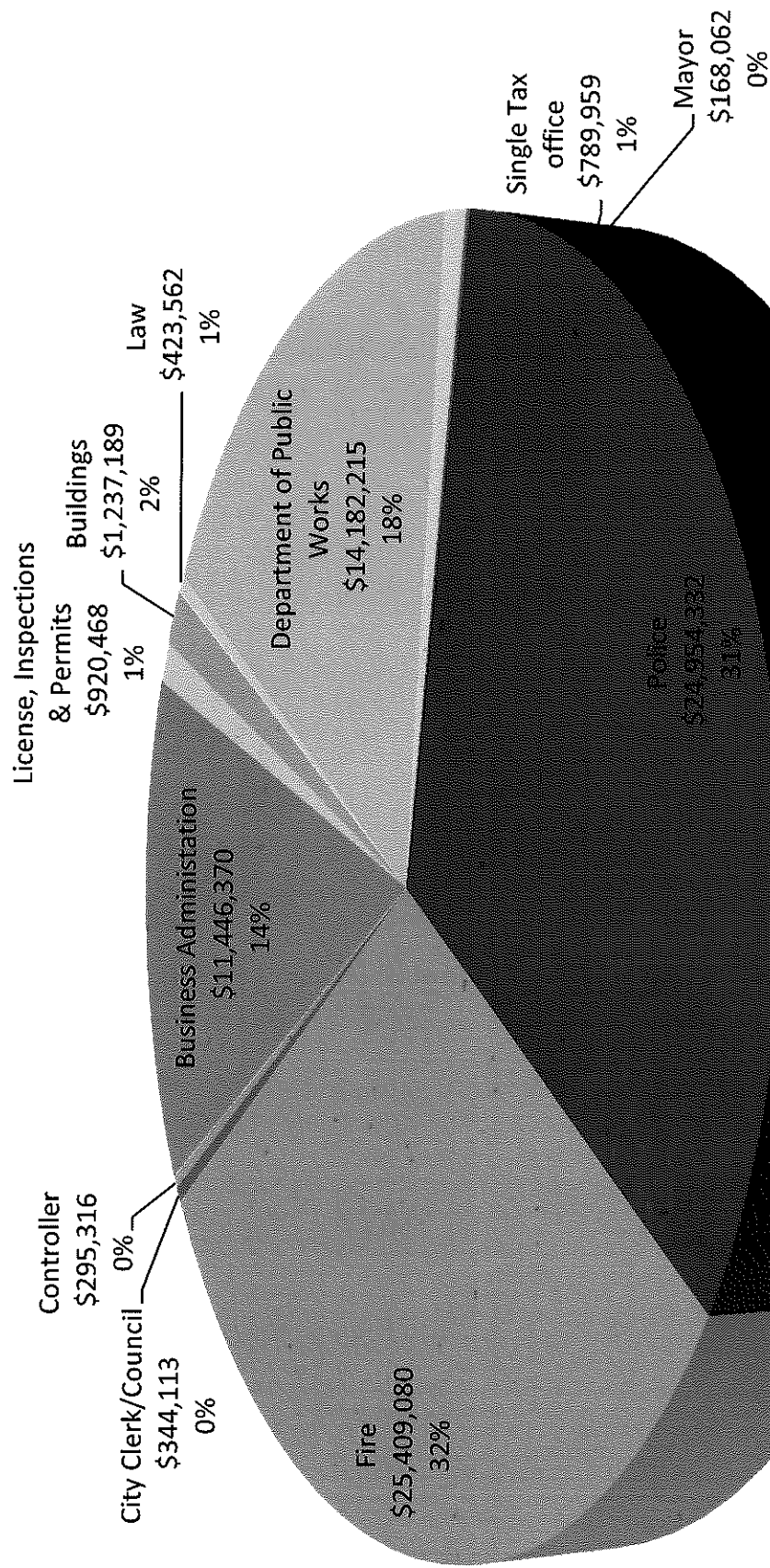
that governments prefund their obligations for postemployment benefits other than pensions once it is determined that the employer has incurred a substantial long term liability, which is the case with the City of Scranton. If funds properly, the City may make long term investments to cover these obligations through a separate trust fund the should, over time, result in a lower total cost for providing postemployment benefits. Other examples of postemployment benefits might include health care or insurance premiums.

The City would seek further evaluation and comment from the pension board actuary and administrator in creating the fund. The fund should be created only if a component of the sewer asset proceeds are deployed to establish the fund.

- The Targeted Expenses Budget will support contractual payment requirements for third party agreements which are performance based. As an example, the analytics and identification program implemented for the Single Tax office for the Business Privilege and Mercantile Tax Program requires a 20% compensation level for all dollars collected resulting from the program. Those dollars are received by the City and 20% of those payments are remitted to the third party. This line item will provide more clarity in identifying those payments.

CITY OF SCRANTON				
2018 OPERATING BUDGET				
EXPENDITURE SUMMARY BY DEPARTMENT				
	2017	2017	2018	
	Operating Budget	(Through 09/30/2017)	Operating Budget	
MAYOR	\$ 146,561.70	\$ 82,768.47	\$ 168,061.70	
DEPT OF PUBLIC SAFETY BUREAU OF POLICE	26,863,171.01	13,806,759.68	24,954,331.94	
DEPT OF PUBLIC SAFETY BUREAU OF FIRE	27,910,050.67	12,311,476.59	25,409,079.87	
CITY CLERK/COUNCIL	311,587.65	69,989.03	344,112.50	
CONTROLLER	287,541.34	165,649.43	295,316.34	
DEPT OF BUSINESS ADMINISTRATION BUREAU OF ADMINISTRATION	8,222,716.57	5,804,858.87	8,709,329.90	
DEPT OF BUSINESS ADMINISTRATION BUREAU OF HUMAN RESOURCES	1,442,089.01	996,599.28	1,766,839.01	
DEPT OF BUSINESS ADMINISTRATION BUREAU OF INFO TECHNOLOGY	746,850.00	394,224.37	832,250.00	
DEPT OF BUSINESS ADMINISTRATION BUREAU OF TREASURY	134,638.80	84,328.79	137,951.10	
DEPT OF LICENSES INSPECTIONS & PERMITS BUREAU OF LIPS	793,795.68	8,199.73	920,468.38	
DEPT OF LICENSES INSPECTIONS & PERMITS BUREAU OF BUILDINGS	1,191,339.47	845,844.19	1,237,189.47	
LAW DEPARTMENT	421,065.43	263,967.31	423,562.47	
DEPT OF PUBLIC WORKS BUREAU OF ADMINISTRATION	3,335,250.99	2,421,933.27	3,497,079.26	
DEPT OF PUBLIC WORKS BUREAU OF ENGINEERING	195,535.04	121,363.48	197,767.70	
DEPT OF PUBLIC WORKS BUREAU OF HIGHWAYS	4,119,422.93	1,994,705.58	3,745,055.21	
DEPT OF PUBLIC WORKS BUREAU OF REFUSE	3,970,517.86	2,568,556.64	3,896,580.46	
DEPT OF PUBLIC WORKS BUREAU OF GARAGES	1,331,367.24	843,841.71	1,282,152.24	
DEPARTMENT OF PUBLIC WORKS- BUREAU OF PARKS & RECREATION	734,162.55	526,872.99	1,563,580.15	
SINGLE TAX OFFICE	690,324.01	2,629,190.82	789,959.49	
NON-DEPARTMENTAL	26,320,413.80	58,335,007.82	27,504,130.60	
TOTAL OPERATING EXPENDITURES	\$ 109,168,502.75	\$ 104,277,138.05	\$ 107,674,797.79	
ECONOMIC & COMMUNITY DEVELOPMENT (NON-ADDITION TO THE BUDGET)	\$ 680,769.24	\$ -	\$ 649,985.32	
	\$ 95,482,145.14	\$ 95,799,864.38	\$ 107,674,797.79	

Summary of 2018 Expenditures by Department



■ Mayor ■ Police ■ Fire ■ City Clerk/Council ■ Controller ■ Business Administration ■ License, Inspections & Permits ■ Buildings ■ Law ■ Department of Public Works ■ Single Tax office

CITY OF SCRANTON					
2018 OPERATING BUDGET					
EXPENDITURE SUMMARY BY ACCOUNT					
		2017	2017	2018	
		Operating Budget	(Through 09/30/2017)	Budget	
		\$	\$	\$	
4010	STANDARD SALARY	26,985,357.02	20,145,295.16	27,473,211.04	
4040	OTHER SALARY	809,074.10	738,753.48	1,107,517.00	
4070	LONGEVITY SALARY	1,827,561.41	1,152,313.31	1,832,646.15	
4080	OVERTIME SALARY	1,015,500.00	960,127.31	1,058,701.30	
4090	COURT APPEARANCE SALARY	130,000.00	109,208.01	135,000.00	
4101	UNIFORM ALLOWANCE	267,828.21	216,389.57	268,248.21	
4112	HEALTH INSURANCE - POLICE UNION	5,647,685.00	4,223,233.81	5,901,830.83	
4113	HEALTH INSURANCE - FIRE UNION	5,140,484.00	3,859,592.73	5,329,301.05	
4116	HEALTH INSURANCE - CLERICAL UNION	1,497,646.00	1,220,086.31	1,565,040.07	
4117	HEALTH INSURANCE - NON-UNION	1,102,050.00	740,993.77	1,151,642.25	
4118	HEALTH INSURANCE - DPW UNION	2,420,710.00	1,702,215.45	2,529,641.97	
4119	HEALTH INSURANCE - SINGLE TAX OFFICE	315,835.50	345,823.18	410,670.98	
4120	LIFE/DISABILITY INSURANCE	357,206.00	253,802.62	346,905.00	
4130	L.A.M. PENSION	300,344.00	273,269.28	300,344.00	
4140	CITY 10% EARLY RETIREMENT	263,686.00	180,758.43	253,176.90	
4150	CITY PENSION	18,811,562.00	3,806.06	13,603,516.00	
4170	POLICE EDUCATION ALLOWANCE	60,000.00	-	60,000.00	
4180	SOCIAL SECURITY	898,090.00	674,244.01	898,090.00	
4190	UNEMPLOYMENT INSURANCE	29,793.00	9,780.74	25,000.00	
	TOTAL EMPLOYEE COMPENSATION	\$ 67,880,412.24	\$ 36,809,693.23	\$ 64,250,482.75	
4201	PROFESSIONAL SERVICES	940,500.00	632,509.74	1,080,000.00	
4210	SERVICES & MAINTENANCE FEE	171,542.55	104,003.35	186,290.00	
4220	CONTRACTED SERVICES	750.00	-	750.00	

CITY OF SCRANTON				
2018 OPERATING BUDGET				
EXPENDITURE SUMMARY BY ACCOUNT				
		2017	2017	2018
		Operating Budget	(Through 09/30/2017)	Budget
4230	PRINTING & BINDING	8,180.15	7,483.05	8,250.00
4240	POSTAGE & FREIGHT	30,463.00	23,460.95	30,100.00
4250	ADVERTISING	38,750.00	32,104.64	48,750.00
4260	RENTAL VEHICLES & EQUIPMENT	339,395.00	314,159.25	300,000.00
4270	DUES & SUBSCRIPTIONS	32,076.70	4,741.70	32,651.70
4280	MISC SERVICES-NOT CLASSIFIED	10,469.77	2,746.33	7,000.00
4290	STATIONERY/OFFICE SUPPLIES	17,117.00	11,786.14	43,950.00
4301	GAS, OIL & LUBRICANTS	425,500.00	209,695.27	295,000.00
4310	EQUIPMENT/VEHICLE REPAIR & MAINT	315,000.00	259,759.76	325,000.00
4320	BUILDING REPAIR-SUPPLY & MAINT	200,000.00	117,675.78	175,000.00
4330	MEDICAL, CHEMICAL & LAB SUPPLIES	25,000.00	7,788.73	20,000.00
4340	CONSTRUCTION-PAVING MATERIAL	85,000.00	72,973.36	100,000.00
4350	PAINT & SIGN MATERIAL	12,500.00	9,449.20	50,000.00
4360	SMALL TOOLS/SHOP SUPPLIES	6,700.00	2,753.78	7,000.00
4370	PARKS & RECREATION SUPPLIES	750.00	-	63,000.00
4380	GUNS & AMMUNITION	22,500.00	11,614.80	22,500.00
4390	MATERIAL/SUPPLIES (MISC)	198,754.90	148,071.98	191,600.00
4401	TIRES	109,500.00	60,616.70	109,500.00
4410	SALT	273,500.00	177,290.48	273,500.00
4420	TRAVEL & LODGING	10,750.00	6,019.06	18,000.00
4430	AIR PACKS/REHAB SUPPLIES	6,000.00	-	6,000.00
4440	TELEPHONE	145,000.00	90,212.09	150,000.00

CITY OF SCRANTON				
2018 OPERATING BUDGET				
EXPENDITURE SUMMARY BY ACCOUNT				
		2017	2017	2018
		Operating Budget	(Through 09/30/2017)	Budget
4450	ELECTRICAL	274,600.00	214,144.21	275,000.00
4445	SEWER CHARGES	2,300.00	2,300.00	5,000.00
4447	PG ENERGY GAS	155,000.00	66,216.62	135,000.00
4448	PAWC-WATER	433,100.00	433,099.83	475,000.00
4460	STREET LIGHTING	375,000.00	330,920.52	375,000.00
4465	BUILDING SUPPLIES	1,000.00	-	1,000.00
4466	STREET LIGHTING SERVICE / MAINTENANCE	77,500.00	51,338.44	77,500.00
4470	TRAINING & CERTIFICATION	140,945.10	93,035.16	143,000.00
4480	SELF INSURANCE	-	-	110,000.00
4490	LANDFILL	1,344,095.86	951,844.33	1,271,434.74
4530	PERFORMING ARTS	16,500.00	16,275.00	20,000.00
4540	SPRING/SUMMER PROGRAM	3,000.00	2,790.00	3,000.00
4550	CAPITAL EXPENDITURES	3,182,313.84	568,483.59	3,106,250.00
4551	ROAD RESURFACING	-	-	875,000.00
4560	EQUIPMENT MAINTENANCE & LEASES	50,000.00	45,000.00	50,000.00
4570	MAINTENANCE OF COMMUNICATION EQUIP	28,750.00	19,492.77	28,750.00
4575	MAINTENANCE-EQUIPMENT	-	-	1,000.00
4576	MAINTENANCE OF SUPER FUND SIGHT	16,500.00	6,575.13	13,000.00
4580	GENERAL EQUIPMENT	100,000.00	49,454.53	75,000.00
4590	BUILDING DEMOLITION	35,000.00	12,540.00	65,000.00
4630	LIABILITY & CASUALTY INSURANCE	1,050,000.00	760,376.99	1,371,000.00
4901	PREVENTATIVE MAINTENANCE	5,000.00	-	7,500.00
6000	TAX & MISC REFUNDS	1,000.00	-	1,000.00

CITY OF SCRANTON					
2018 OPERATING BUDGET					
EXPENDITURE SUMMARY BY ACCOUNT					
		2017 Operating Budget	2017 (Through 09/30/2017)	2018 Budget	
6001	TAX COLLECTION COMMITTEE EXPENSE	257.00	-	500.00	
6002	SPA CITATION ISSUERS	-	-	-	
6003	SPCA ANIMAL CONTROL	86,976.00	-	86,976.00	
6004	SINGLE TAX OFFICE AUDIT	-	-	-	
6007	FLOOD PROTECTION SYSTEM MAINTENANCE	49,500.00	33,384.13	50,000.00	
6009	WORKERS' COMPENSATION	3,323,826.00	3,000,000.00	3,743,432.00	
6024	BANK FEES & CHARGES	87,250.00	210,045.94	11,000.00	
	NON-DEPARTMENTAL EXPENDITURES:				
10020-10140	BOARDS & COMMISSIONS	214,500.00	135,920.82	359,500.00	
15010-15360	INTEREST & DEBT SERVICE (w/o TANs)	#REF!	51,319,004.04	12,007,831.50	
15230-15240	TANs (SERIES A & B)	#REF!	6,586,666.67	12,960,000.00	
13090,16090-17060	UNPAID BILLS/COURT AWARDS/MISCELLANEOUS	1,681,100.00	294,416.29	2,176,799.10	
	TOTAL NON-DEPARTMENTAL EXPENDITURES	#REF!	58,336,007.82	27,504,130.60	
	TOTAL OPERATING EXPENDITURES	#REF!	\$ 104,319,934.38	\$ 107,674,797.79	
4010	ECONOMIC & COMMUNITY DEVELOPMENT				
	STANDARD SALARY (NON-ADDITION TO THE BUDGET)	680,769.24	-	649,985.32	

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Office of the Mayor - #10					
4010 01.010.00000.4010	STANDARD SALARY	\$ 122,585.00	\$ 82,768.47	\$ 144,085.00	
4040 01.010.00000.4040	OTHER SALARY (MISC)	-	-	-	
4080 01.010.00000.4080	OVERTIME SALARY	-	-	-	
	TOTAL EMPLOYEE COMPENSATION	122,585.00	82,768.47	144,085.00	
4270 01.010.00000.4270	DUES AND SUBSCRIPTIONS	22,826.70		22,826.70	
4290 01.010.00000.4290	STATIONARY/OFFICE SUPPLIES	150.00		150.00	
4390 01.010.00000.4390	MATERIALS/SUPPLIES (MISC)	-	-	-	
4420 01.010.00000.4420	TRAVEL AND LODGING	1,000.00	-	1,000.00	
4550 01.010.00000.4550	CAPITAL EXPENDITURES	-	-	-	
	TOTAL OPERATING EXPENDITURES	23,976.70	-	23,976.70	
	DEPARTMENT of MAYOR TOTAL	\$ 146,561.70	\$ 82,768.47	\$ 168,061.70	

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
Dept. of Public Safety - #11				
Bureau of Police - #71				
4010 01.011.00071.4010	STANDARD SALARY	\$ 10,346,670.71	\$ 7,259,034.93	\$ 10,525,848.30
4040 01.011.00071.4040	OTHER SALARY (MISC)	267,667.00	156,399.33	401,017.00
4070 01.011.00071.4070	LONGEVITY SALARY	793,624.53	605,331.33	806,113.31
4080 01.011.00071.4080	OVERTIME SALARY	400,000.00	525,644.00	400,000.00
4090 01.011.00071.4090	COURT APPEARANCE SALARY	130,000.00	109,208.01	135,000.00
4101 01.011.00071.4101	UNIFORM ALLOWANCE	115,850.00	108,460.00	115,850.00
4112 01.011.00071.4112	HEALTH INSURANCE - POLICE UNION	5,647,685.00	4,223,233.81	5,901,830.83
4120 01.011.00071.4120	LIFE/DISABILITY INSURANCE	156,516.00	111,237.48	150,634.00
4140 01.011.00071.4140	CITY 10% EARLY RETIREMENT	153,045.00	93,944.07	131,581.50
4150 01.011.00071.4150	CITY PENSION	7,996,779.00		5,343,583.00
4170 01.011.00071.4170	POLICE EDUCATION ALLOWANCE	60,000.00		60,000.00
4180 01.011.00071.4180	SOCIAL SECURITY	332,998.00	263,010.40	332,998.00
	TOTAL EMPLOYEE COMPENSATION	28,400,825.24	13,455,503.36	\$ 24,304,455.94
4201 01.011.00071.4201	PROFESSIONAL SERVICES	15,000.00	15,980.23	25,000.00
4210 01.011.00071.4210	SERVICES AND MAINTENANCE FEE	64,500.00	57,466.38	75,000.00
4270 01.011.00071.4270	DUES AND SUBSCRIPTIONS	3,100.00	2,798.70	3,150.00
4280 01.011.00071.4280	MISC SERVICES-NON CLASSIFIED	1,519.77	1,523.55	2,000.00
4290 01.011.00071.4290	STATIONARY/OFFICE SUPPLIES	2,500.00	2,460.70	2,750.00
4380 01.011.00071.4380	GUNS/AMMUNITION	22,500.00	11,614.80	22,500.00
4390 01.011.00071.4390	MATERIALS/SUPPLIES (MISC)	18,654.90	15,161.59	21,000.00
4420 01.011.00071.4420	TRAVEL AND LODGING	3,500.00	3,491.86	4,000.00
4470 01.011.00071.4470	TRAINING AND CERTIFICATION	46,445.10	46,445.10	50,000.00
4550 01.011.00071.4550	CAPITAL EXPENDITURES	190,000.00	189,967.14	350,000.00
4570 01.011.00071.4570	MAINTENANCE COMMUNICATION EQUIPMENT	7,750.00		7,500.00
6003 01.011.00071.6003	SPCA-ANIMAL CONTROL	86,976.00	4,346.27	86,976.00
	TOTAL OPERATING EXPENDITURES	462,345.77	351,256.32	649,876.00
	BUREAU of POLICE TOTAL	\$ 26,863,171.01	\$ 13,806,759.68	\$ 24,954,331.94

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
Dept. of Public Safety - #11				
Bureau of Fire - #78				
4010 01.011.00078.4010	STANDARD SALARY	\$ 9,710,981.81	\$ 6,710,324.20	\$ 9,660,286.61
4040 01.011.00078.4040	OTHER SALARY (MISC)	\$ 285,800.00	423,099.61	450,000.00
4070 01.011.00078.4070	LONGEVITY SALARY	\$ 782,616.86	546,981.98	775,213.81
4080 01.011.00078.4080	OVERTIME SALARY	250,000.00	148,493.78	275,000.00
4101 01.011.00078.4101	UNIFORM ALLOWANCE	98,550.00	61,510.75	98,550.00
4113 01.011.00078.4113	HEALTH INSURANCE - FIRE UNION	5,140,484.00	3,859,592.73	5,329,301.05
4120 01.011.00078.4120	LIFE/DISABILITY INSURANCE	149,292.00	106,141.09	141,521.00
4140 01.011.00078.4140	CITY 10% EARLY RETIREMENT	110,641.00	86,814.36	121,595.40
4150 01.011.00078.4150	CITY PENSION	9,501,455.00		7,087,112.00
	TOTAL EMPLOYEE COMPENSATION	26,029,800.67	11,942,958.50	\$ 23,938,579.87
4201 01.011.00078.4201	PROFESSIONAL SERVICES		15,464.10	\$ 23,000.00
4210 01.011.00078.4210	SERVICES AND MAINTENANCE FEE	23,000.00	3,520.53	15,000.00
4270 01.011.00078.4270	DUES AND SUBSCRIPTIONS	1,000.00	500.00	1,000.00
4316 01.011.00078.4316	CLEAN AIR MAINTENANCE			
4320 01.011.00078.4320	BLDG/REPAIR-SUPPLY MAINT	5,000.00	3,087.43	10,000.00
4390 01.011.00078.4390	MATERIALS/SUPPLIES (MISC)	7,250.00	5,848.12	7,250.00
4420 01.011.00078.4420	TRAVEL AND LODGING	3,000.00	957.63	3,000.00
4430 01.011.00078.4430	AIR PACKS/REHAB SUPPLIES	6,000.00		6,000.00
4470 01.011.00078.4470	TRAINING AND CERTIFICATION	85,000.00	44,278.00	75,000.00
4550 01.011.00078.4550	CAPITAL EXPENDITURES	1,630,000.00	242,081.25	1,250,000.00
4570 01.011.00078.4570	MAINTENANCE COMMUNICATION EQUIP	4,000.00	3,326.50	4,250.00
4575 01.011.00078.4575	MAINTENANCE-EQUIPMENT	1,000.00		1,000.00
4580 01.011.00078.4580	GENERAL EQUIPMENT	100,000.00	49,454.53	75,000.00
	TOTAL OPERATING EXPENDITURES	1,880,250.00	388,518.09	\$ 1,470,500.00
	BUREAU of FIRE TOTAL	\$ 27,910,050.67	\$ 12,311,476.59	\$ 25,409,079.87
	DEPARTMENT of PUBLIC SAFETY TOTAL	\$ 54,773,221.68	\$ 26,118,236.27	\$ 50,363,411.81

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Office of the City Clerk/City Council - #20					
4010 01.020.00000.4010	STANDARD SALARY	\$ 226,937.37		\$ 230,937.37	
4040 01.020.00000.4040	OTHER SALARY (MISC)		-		
4070 01.020.00000.4070	LONGEVITY SALARY	3,425.13	-	3,425.13	
4080 01.020.00000.4080	OVERTIME SALARY	500.00	-	500.00	
	TOTAL EMPLOYEE COMPENSATION	230,862.50	-	\$ 234,862.50	
4201 01.020.00000.4201	PROFESSIONAL SERVICES	41,000.00	33,860.48	\$ 56,000.00	
4210 01.020.00000.4210	SERVICES AND MAINTENANCE FEE	10,795.00	10,795.00	15,000.00	
4220 01.020.00000.4220	CONTRACTED SERVICES	-		-	
4230 01.020.00000.4230	PRINTING AND BINDING	6,930.15	6,930.15	6,260.00	
4250 01.020.00000.4250	ADVERTISING	21,500.00	18,028.35	31,500.00	
4260 01.020.00000.4260	RENTAL VEHICLES & EQUIPMENT	-		-	
4270 01.020.00000.4270	DUES AND SUBSCRIPTIONS	-		-	
4290 01.020.00000.4290	STATIONARY/OFFICE SUPPL	500.00	375.05	500.00	
4420 01.020.00000.4420	TRAVEL AND LODGING	-		-	
4550 01.020.00000.4550	CAPITAL EXPENDITURES	-		-	
	TOTAL OPERATING EXPENDITURES	80,725.15	69,989.03	\$ 109,250.00	
	DEPARTMENT of CITY CLERK / CITY COUNCIL TOTAL	\$ 311,587.65	\$ 69,989.03	\$ 344,112.50	

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
City Controller - #30					
Roseann Novembrino, City Controller					
4010 01.030.00000.4010	STANDARD SALARY	\$ 242,623.63	\$ 165,247.03	\$ 248,373.63	
4040 01.030.00000.4040	OTHER SALARY (MISC)	1,000.00	-	1,000.00	
4070 01.030.00000.4070	LONGEVITY SALARY	3,417.71	-	3,417.71	
4080 01.030.00000.4080	OVERTIME SALARY	0.00	-	-	
	TOTAL EMPLOYEE COMPENSATION	247,041.34	165,247.03	\$ 252,791.34	
4201 01.030.00000.4201	PROFESSIONAL SERVICES	-	-	-	
4210 01.030.00000.4210	SERVICES AND MAINTENANCE FEE	40,000.00	-	\$ 40,000.00	
4230 01.030.00000.4230	PRINTING AND BINDING	0.00	-	-	
4240 01.030.00000.4240	POSTAGE AND FREIGHT	0.00	-	1,000.00	
4270 01.030.00000.4270	DUES AND SUBSCRIPTIONS	100.00	76.00	100.00	
4290 01.030.00000.4290	STATIONARY/OFFICE SUPPLIES	200.00	182.00	225.00	
4420 01.030.00000.4420	TRAVEL AND LODGING	200.00	144.40	200.00	
4550 01.030.00000.4550	CAPITAL EXPENDITURES	0.00	-	1,000.00	
	TOTAL OPERATING EXPENDITURES	40,500.00	402.40	\$ 42,525.00	
	DEPARTMENT of CITY CONTROLLER TOTAL	\$ 287,541.34	\$ 165,849.43	\$ 295,316.34	

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Department of Business Administration - #40					
Bureau of Human Resources - #41					
4010 01.040.00041.4010	STANDARD SALARY	\$ 202,377.76	\$ 133,344.78	\$ 206,877.76	
4040 01.040.00041.4040	OTHER SALARY (MISC)	1,000.00		2,250.00	
4070 01.040.00041.4070	LONGEVITY SALARY	7,211.25		7,211.25	
4080 01.040.00041.4080	OVERTIME SALARY	-			
	TOTAL EMPLOYEE COMPENSATION	210,589.01	133,344.78	\$ 216,339.01	
4201 01.040.00041.4201	PROFESSIONAL SERVICES	175,000.00	101,778.09	\$ 150,000.00	
4290 01.040.00041.4290	STATIONARY/OFFICE SUPPLIES	500.00		25,000.00	
4390 01.040.00041.4390	MATERIALS/SUPPLIES (MISC)	500.00	239.00	500.00	
4420 01.040.00041.4420	TRAVEL AND LODGING	500.00		1,000.00	
4470 01.040.00041.4470	TRAINING AND CERTIFICATION	5,000.00	860.42	3,000.00	
4630 01.040.00041.4630	LIABILITY/CASUALTY INSURANCE	1,050,000.00	760,376.99	1,371,000.00	
	TOTAL OPERATING EXPENDITURES	1,231,500.00	863,254.50	\$ 1,550,500.00	
	BUREAU of HUMAN RESOURCES TOTAL	\$ 1,442,089.01	\$ 996,599.28	\$ 1,766,839.01	

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
Department of Business Administration - #40				
Bureau of Information Technology - #42				
4010 01.040.00042.4010	STANDARD SALARY	\$ 119,100.00	\$ 85,951.57	\$ 134,750.00
4040 01.040.00042.4040	OTHER SALARY (MISC)	-	-	-
4070 01.040.00042.4070	LONGEVITY SALARY	-	-	-
4080 01.040.00042.4080	OVERTIME SALARY	-	-	-
	TOTAL EMPLOYEE COMPENSATION	119,100.00	85,951.57	134,750.00
4201 01.040.00042.4201	PROFESSIONAL SERVICES			
4210 01.040.00042.4210	SERVICES AND MAINTENANCE FEE	63,250.00	62,708.21	\$ 95,250.00
4270 01.040.00042.4270	DUES AND SUBSCRIPTIONS	77,500.00	29,777.50	75,000.00
4290 01.040.00042.4290	STATIONARY/OFFICE SUPPLIES	1,000.00	325.00	500.00
4390 01.040.00042.4390	MATERIALS/SUPPLIES (MISC)	65,000.00	61,910.00	1,000.00
4420 01.040.00042.4420	TRAVEL AND LODGING	-		65,000.00
4440 01.040.00042.4440	TELEPHONE	145,000.00	90,212.09	750.00
4470 01.040.00042.4470	TRAINING AND CERTIFICATION	1,000.00		150,000.00
4550 01.040.00042.4550	CAPITAL EXPENDITURES	225,000.00	18,340.00	10,000.00
4560 01.040.00042.4560	EQUIPMENT MAINTENANCE/LEASES	50,000.00	45,000.00	250,000.00
	TOTAL OPERATING EXPENDITURES	627,750.00	308,272.80	50,000.00
				\$ 697,500.00
	BUREAU of INFORMATION TECHNOLOGY TOTAL	\$ 746,850.00	\$ 394,224.37	\$ 832,250.00

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Department of Business Administration - #40					
Bureau of Treasury - #43					
4010 01.040.00043.4010	STANDARD SALARY	\$ 111,306.78	\$ 79,911.30	\$ 114,376.08	
4040 01.040.00043.4040	OTHER SALARY (MISC)	0.00	-	-	
4070 01.040.00043.4070	LONGEVITY SALARY	2,825.02	-	2,825.02	
4080 01.040.00043.4080	OVERTIME SALARY	-	-	-	
	TOTAL EMPLOYEE COMPENSATION	114,131.80	79,911.30	\$ 117,201.10	
4201 01.040.00043.4201	PROFESSIONAL SERVICES			\$ -	
4250 01.040.00043.4250	ADVERTISING	11,250.00		\$ 11,250.00	
4290 01.040.00043.4290	STATIONARY/OFFICE SUPPLIES	-		-	
4390 01.040.00043.4390	MATERIALS/SUPPLIES (MISC)	8,000.00	4,417.49	8,000.00	
4420 01.040.00043.4420	TRAVEL AND LODGING	-		-	
4550 01.040.00043.4550	CAPITAL EXPENDITURES	-		-	
6000 01.040.00043.6000	TAX AND MISC REFUNDS	1,000.00		1,000.00	
6001 01.040.00043.6001	TAX COLLECTION COMMITTEE EXPENSE	257.00		500.00	
	TOTAL OPERATING EXPENDITURES	20,507.00	4,417.49	\$ 20,750.00	
	BUREAU of TREASURY TOTAL	\$ 134,638.80	\$ 84,328.79	\$ 137,951.10	
	DEPARTMENT of BUSINESS ADMINISTRATION TOTAL	\$ 10,546,294.38	\$ 7,280,011.31	\$ 11,446,370.01	

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Office of Economic & Community Development (OECD) - #50					
50.00000.4010	STANDARD SALARY	\$ 680,769.24		\$ 649,985.32	
	OECD DEPARTMENT TOTAL (NON-ADDITION TO BUDGET)	\$ 680,769.24		\$ 649,985.32	

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
Dept. of Licenses, Inspections & Permits - #51				
Bureau of Licenses, Inspections & Permits - #51				
4010 01.051.00051.4010	STANDARD SALARY	\$ 655,490.67		\$ 745,863.37
4040 01.051.00051.4040	OTHER SALARY (MISC)	3,500.00		9,800.00
4070 01.051.00051.4070	LONGEVITY SALARY	17,805.01		17,805.01
4080 01.051.00051.4080	OVERTIME SALARY	6,500.00	358.23	3,000.00
4101 01.051.00051.4101	UNIFORM ALLOWANCE (AUTO)	12,500.00	7,841.50	12,500.00
	TOTAL EMPLOYEE COMPENSATION	695,795.68	8,199.73	\$ 788,968.38
4201 01.051.00051.4201	PROFESSIONAL SERVICES			
4270 01.051.00051.4270	DUES AND SUBSCRIPTIONS	35,000.00	34,656.00	\$ 40,000.00
4290 01.051.00051.4290	STATIONARY/OFFICE SUPPLIES	1,000.00	122.57	500.00
4390 01.051.00051.4390	MATERIALS/SUPPLIES (MISC)	500.00	278.76	500.00
4420 01.051.00051.4420	TRAVEL AND LODGING			1,000.00
4470 01.051.00051.4470	TRAINING AND CERTIFICATION	1,000.00	50.00	1,000.00
4550 01.051.00051.4550	CAPITAL EXPENDITURES	25,000.00		23,000.00
4570 01.051.00051.4570	MAINTENANCE COMMUNICATION EQUIPMENT	500.00		500.00
4590 01.051.00051.4590	BUILDING DEMOLITION	35,000.00	12,540.00	65,000.00
	TOTAL OPERATING EXPENDITURES	98,000.00		131,500.00
	BUREAU of LICENSES, INSPECTIONS & PERMITS TOTAL	\$ 793,795.68	\$ 8,199.73	\$ 920,468.38

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
Dept. of Licenses, Inspections & Permits - #51				
Bureau of Buildings - #82				
4010 01.051.00082.4010	STANDARD SALARY	\$ 110,667.12		\$ 110,667.12
4040 01.051.00082.4040	OTHER SALARY (MISC)	1,000.00		2,100.00
4070 01.051.00082.4070	LONGEVITY SALARY	6,412.35		6,412.35
4080 01.051.00082.4080	OVERTIME SALARY	1,000.00	414.29	750.00
4101 01.051.00082.4101	UNIFORM ALLOWANCE	1,260.00	1,260.00	1,260.00
	TOTAL EMPLOYEE COMPENSATION	120,339.47	1,674.29	\$ 121,189.47
4201 01.051.00082.4201	PROFESSIONAL SERVICES			
4210 01.051.00082.4210	SVCES AND MAINT FEE	30,000.00	25,780.00	\$ 75,000.00
4320 01.051.00082.4320	BLDG/REPAIR-SUPPL MAINT	-		
4360 01.051.00082.4360	SMALL TOOLS/SHOP SUPPL	175,000.00	102,629.24	150,000.00
4420 01.051.00082.4420	TRAVEL AND LODGING	-		
4445 01.051.00082.4445	SEWER CHARGES	2,300.00	2,300.00	5,000.00
4447 01.051.00082.4447	UGI - GAS	155,000.00	66,216.62	135,000.00
4448 01.051.00082.4448	PAWC - WATER	433,100.00	433,099.83	475,000.00
4450 01.051.00082.4450	ELECTRICAL	274,600.00	214,144.21	275,000.00
4465 01.051.00082.4465	BUILDING SUPPLIES	1,000.00		1,000.00
	TOTAL OPERATING EXPENDITURES	1,071,000.00	844,169.90	\$ 1,116,000.00
	BUREAU of BUILDINGS TOTAL	1,191,339.47	845,844.19	\$ 1,237,189.47
	DEPARTMENT of LICENSES, INSPECTIONS & PERMITS TOTAL	\$ 1,985,135.15	\$ 854,043.92	\$ 2,157,657.85

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
	Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
	Law Department - #60				
	4010 01.060.00000.4010	STANDARD SALARY	\$ 186,112.47	\$ 135,246.41	\$ 215,612.47
	4040 01.060.00000.4040	OTHER SALARY (MISC)	752.96	-	750.00
	4070 01.060.00000.4070	LONGEVITY SALARY	-	-	
	4080 01.060.00000.4080	OVERTIME SALARY	-	-	
		TOTAL EMPLOYEE COMPENSATION	186,865.43	135,246.41	\$ 216,362.47
	4201 01.060.00000.4201	PROFESSIONAL SERVICES			\$ 195,000.00
	4210 01.060.00000.4210	SERVICES AND MAINTENANCE FEE	225,000.00	127,752.32	\$ 2,000.00
	4270 01.060.00000.4270	DUES AND SUBSCRIPTIONS	3,950.00	371.00	\$ 3,950.00
	4290 01.060.00000.4290	STATIONARY/OFFICE SUPPLIES	500.00	86.08	500.00
	4390 01.060.00000.4390	MATERIALS/SUPPLIES (MISC)	500.00		500.00
	4420 01.060.00000.4420	TRAVEL AND LODGING	500.00	133.75	1,000.00
	4470 01.060.00000.4470	TRAINING AND CERTIFICATION	500.00	377.75	1,000.00
	4550 01.060.00000.4550	CAPITAL EXPENDITURES	3,250.00		3,250.00
		TOTAL OPERATING EXPENDITURES	234,200.00	128,720.90	\$ 207,200.00
		DEPARTMENT of LAW TOTAL	\$ 421,065.43	\$ 263,967.31	\$ 423,562.47

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
	Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
	Department of Public Works - #80				
	Bureau of Administration - #80				
	4010 01.080.00080.4010	STANDARD SALARY	\$ 162,337.76	\$ 117,631.73	\$ 164,741.81
	4040 01.080.00080.4040	OTHER SALARY (MISC)	1,000.00		1,500.00
	4070 01.080.00080.4070	LONGEVITY SALARY	7,711.68		7,711.68
	4080 01.080.00080.4080	OVERTIME SALARY	-		
	4118 01.080.00080.4118	HEALTH INSURANCE - DPW UNION	2,420,710.00	1,702,215.45	2,529,641.97
	4120 01.080.00080.4120	LIFE/DISABILITY INSURANCE	-		
	4130 01.080.00080.4130	I.A.M. PENSION	300,344.00	273,269.28	300,344.00
	4180 01.080.00080.4180	SOCIAL SECURITY	351,100.00	275,881.20	351,100.00
		TOTAL EMPLOYEE COMPENSATION	3,243,203.44	2,368,997.86	3,355,039.26
	4201 01.080.00080.4201	PROFESSIONAL SERVICES	7,500.00	96.80	\$ 50,000.00
	4270 01.080.00080.4270	DUES AND SUBSCRIPTIONS	-	-	
	4210 01.080.00080.4210	SERVICES & MAINTENANCE FEE	2,047.55	1,059.55	2,040.00
	4290 01.080.00080.4290	STATIONARY/OFFICE SUPPL	-	-	
	4420 01.080.00080.4420	TRAVEL AND LODGING	-	-	500.00
	4550 01.080.00080.4550	CAPITAL EXPENDITURES	-	-	10,000.00
	4570 01.080.00080.4570	MAINT COMMUNICATION EQUIP	16,500.00	11,820.00	16,500.00
	4576 01.080.00080.4576	MAINTENANCE SUPER FUND SIGHT	16,500.00	6,575.13	13,000.00
	6007 01.080.00080.6007	FLOOD PROTECTION SYSTEM MAINTENANCE	49,500.00	33,384.13	50,000.00
		TOTAL OPERATING EXPENDITURES	92,047.55	52,935.61	\$ 142,040.00
		BUREAU of ADMINISTRATION TOTAL	\$ 3,335,250.99	\$ 2,421,933.27	\$ 3,497,079.26

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Department of Public Works - #80					
Bureau of Engineering - #81					
4010 01.080.00081.4010	STANDARD SALARY	\$ 111,841.65	\$ 76,046.07	\$	112,798.45
4040 01.080.00081.4040	OTHER SALARY (MISC)	375.14			2,100.00
4070 01.080.00081.4070	LONGEVITY SALARY	3,891.04			3,891.04
4080 01.080.00081.4080	OVERTIME SALARY	5,500.00	1,283.30		4,500.00
4101 01.080.00081.4101	UNIFORM ALLOWANCE	3,128.21	2,037.32		3,128.21
	TOTAL EMPLOYEE COMPENSATION	124,736.04	79,366.69		\$ 126,417.70
4201 01.080.00081.4201	PROFESSIONAL SERVICES				
4210 01.080.00081.4210	SERVICES & MAINTENANCE FEE	69,500.00	41,625.00	\$	69,500.00
4280 01.080.00081.4280	MISC SERVICES-NOT CLASSIFIED	200.00	179.98		500.00
4290 01.080.00081.4290	STATIONARY/OFFICE SUPPLIES	100.00			100.00
4390 01.080.00081.4390	MATERIALS/SUPPLIES (MISC)	100.00	91.81		250.00
4470 01.080.00081.4470	TRAINING AND CERTIFICATION	1,000.00	100.00		1,000.00
4550 01.080.00081.4550	CAPITAL EXPENDITURES	-			
	TOTAL OPERATING EXPENDITURES	70,900.00	41,996.79	\$	71,350.00
	BUREAU of ENGINEERING TOTAL	\$ 195,636.04	\$ 121,363.48	\$	197,767.70

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
	Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
	Department of Public Works - #80				
	Bureau of Highways - #83				
	4010 01.080.00083.4010	STANDARD SALARY	\$ 1,156,672.28	\$ 793,386.59	\$ 1,179,627.24
	4040 01.080.00083.4040	OTHER SALARY (MISC)	-	-	18,200.00
	4070 01.080.00083.4070	LONGEVITY SALARY	85,387.97	-	85,387.97
	4080 01.080.00083.4080	OVERTIME SALARY	150,000.00	125,636.32	160,000.00
	4101 01.080.00083.4101	UNIFORM ALLOWANCE	11,340.00	10,920.00	11,340.00
		TOTAL EMPLOYEE COMPENSATION	1,403,400.25	929,942.91	\$ 1,454,555.21
	4210 01.080.00083.4210	SERVICES AND MAINTENANCE FEE	-	-	-
	4260 01.080.00083.4260	RENTAL VEHICLES & EQUIPMENT	339,395.00	314,159.25	\$ 300,000.00
	4290 01.080.00083.4290	STATIONARY/OFFICE SUPPLIES	-	-	-
	4340 01.080.00083.4340	CONSTRUCTION-PAVING MATERIAL	85,000.00	72,973.36	100,000.00
	4350 01.080.00083.4350	PAINT/SIGN MATERIAL	12,500.00	9,449.20	50,000.00
	4370 01.080.00083.4370	PARKS AND RECREATION SUPPLIES	-	-	62,000.00
	4390 01.080.00083.4390	MATERIALS/SUPPLIES (MISC)	37,500.00	23,114.42	37,500.00
	4410 01.080.00083.4410	SALT	273,500.00	177,290.48	273,500.00
	4420 01.080.00083.4420	TRAVEL AND LODGING	-	-	-
	4460 01.080.00083.4460	STREET LIGHTING	375,000.00	330,920.52	375,000.00
	4466 01.080.00083.4466	STREET LIGHTING SERVICE / MAINTENANCE	77,500.00	51,338.44	77,500.00
	4550 01.080.00083.4550	CAPITAL EXPENDITURES	814,063.84	85,517.00	140,000.00
	4551 01.080.00083.4551	ROADWAY RESURFACING PROGRAM	701,563.84	-	875,000.00
		TOTAL OPERATING EXPENDITURES	2,716,022.68	1,064,762.67	\$ 2,290,500.00
		BUREAU of HIGHWAYS TOTAL	\$ 4,119,422.93	\$ 1,994,705.58	\$ 3,745,055.21

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
		2017	2017	2018	
	Account Number	Account Description	Operating Budget	(Through 09/30/2017)	Operating Budget
	Department of Public Works - #80				
	Bureau of Refuse - #84				
	4010 01.080.00084.4010	STANDARD SALARY	\$ 2,085,171.23	\$ 1,492,542.06	\$ 2,175,183.95
	4040 01.080.00084.4040	OTHER SALARY (MISC)	107,539.00	1,250.00	35,000.00
	4070 01.080.00084.4070	LONGEVITY SALARY	63,641.77		63,641.77
	4080 01.080.00084.4080	OVERTIME SALARY	150,000.00	104,156.05	150,000.00
	4101 01.080.00084.4101	UNIFORM ALLOWANCE	19,320.00	18,060.00	19,320.00
		TOTAL EMPLOYEE COMPENSATION	2,425,672.00	1,616,008.11	\$ 2,443,145.72
	4260 01.080.00084.4260	RENTAL VEHICLES & EQUIP	-	-	-
	4330 01.080.00084.4330	MEDICAL, CHEM, LAB SUP	-	-	-
	4390 01.080.00084.4390	MATERIALS/SUPPL (MISC)	750.00	704.20	1,000.00
	4420 01.080.00084.4420	TRAVEL AND LODGING	-		1,000.00
	4490 01.080.00084.4490	LANDFILL	1,344,095.86	951,844.33	1,271,434.74
	4550 01.080.00084.4550	CAPITAL EXPENDITURES	200,000.00		180,000.00
		TOTAL OPERATING EXPENDITURES	1,544,845.86	952,548.63	\$ 1,453,434.74
		BUREAU of REFUSE TOTAL	\$ 3,970,517.86	\$ 2,568,556.64	\$ 3,896,580.46

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Department of Public Works - #80					
Bureau of Garages - #85					
4010 01.080.00085.4010	STANDARD SALARY	\$ 352,880.82	\$ 241,706.52	\$ 387,664.52	
4040 01.080.00085.4040	OTHER SALARY (MISC)	-		16,800.00	
4070 01.080.00085.4070	LONGEVITY SALARY	23,876.42		23,876.42	
4080 01.080.00085.4080	OVERTIME SALARY	29,500.00	24,961.04	31,201.30	
4101 01.080.00085.4101	UNIFORM ALLOWANCE	3,360.00	3,360.00	3,360.00	
	TOTAL EMPLOYEE COMPENSATION	409,617.24	270,027.56	\$ 462,902.24	
4201 01.080.00085.4201	PROFESSIONAL SERVICES	-	-	-	
4210 01.080.00085.4210	SERVICES AND MAINTENANCE FEE	-	-	-	
4220 01.080.00085.4220	CONTRACTED SERVICES	750.00	-	750.00	
4290 01.080.00085.4290	STATIONARY/OFFICE SUPPL		-		
4301 01.080.00085.4301	GAS, OIL, LUBRICANTS	425,500.00	209,695.27	295,000.00	
4310 01.080.00085.4310	EQUIP/VEHICLE REP/MAINT	315,000.00	259,759.76	325,000.00	
4360 01.080.00085.4360	SMALL TOOLS/SHOP SUPPL	6,500.00	2,753.78	6,500.00	
4390 01.080.00085.4390	MATERIALS/SUPPL (MISC)	59,500.00	36,137.64	49,500.00	
4401 01.080.00085.4401	TIRES	109,500.00	60,616.70	109,500.00	
4420 01.080.00085.4420	TRAVEL AND LODGING		-	500.00	
4550 01.080.00085.4550	CAPITAL EXPENDITURES			25,000.00	
4901 01.080.00085.4901	MAINTENANCE (PREVENTATIVE)	5,000.00	4,851.00	7,500.00	
	TOTAL OPERATING EXPENDITURES	921,750.00	573,814.15	\$ 819,250.00	
	BUREAU of GARAGES TOTAL	\$ 1,331,367.24	\$ 843,841.71	\$ 1,282,152.24	
	DEPARTMENT of PUBLIC WORKS TOTAL	\$ 12,952,195.06	\$ 7,950,400.68	\$ 12,618,634.87	

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
	Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
	Department of Parks and Recreation - #100				
	Bureau of Parks & Recreation - #100				
	4010 01.100.00000.4010	STANDARD SALARY	\$ 384,107.87	\$ 275,795.29	\$ 407,505.47
	4040 01.100.00000.4040	OTHER SALARY (MISC)	135,000.00	149,818.54	160,000.00
	4070 01.100.00000.4070	LONGEVITY SALARY	22,384.68		22,384.68
	4080 01.100.00000.4080	OVERTIME SALARY	19,000.00	25,705.34	30,000.00
	4101 01.100.00000.4101	UNIFORM ALLOWANCE	2,520.00	2,940.00	2,940.00
		TOTAL EMPLOYEE COMPENSATION	563,012.55	454,259.17	\$ 622,830.15
	4210 01.100.00000.4210	SERVICES AND MAINTENANCE FEE		-	-
	4270 01.100.00000.4270	DUES AND SUBSCRIPTIONS		-	-
	4280 01.100.00000.4280	MISC SERVICES-NON CLASSIFIED	8,950.00	1,222.78	5,000.00
	4290 01.100.00000.4290	STATIONARY/OFFICE SUPPLIES	1,000.00		500.00
	4320 01.100.00000.4320	BLDG/REPAIR-SUPPLY MAINT	20,000.00	11,959.11	15,000.00
	4330 01.100.00000.4330	MEDICAL, CHEM, LAB SUP	25,000.00	7,788.73	20,000.00
	4360 01.100.00000.4360	SMALL TOOLS/SHOP SUPPLIES	200.00		500.00
	4370 01.100.00000.4370	PARKS/RECREATION SUPPLIES	750.00		1,000.00
	4420 01.100.00000.4420	TRAVEL AND LODGING	750.00		750.00
	4530 01.100.00000.4530	PERFORMING ARTS	16,500.00	16,275.00	20,000.00
	4540 01.100.00000.4540	SPRING/SUMMER PROG	3,000.00	2,790.00	3,000.00
	4550 01.100.00000.4550	CAPITAL EXPENDITURES	95,000.00	32,578.20	875,000.00
	4570 01.100.00000.4570	MAINTENANCE COMMUNICATION EQUIP			
		TOTAL OPERATING EXPENDITURES	171,150.00	72,613.82	\$ 940,750.00
		DEPARTMENT of PARKS & RECREATION TOTAL	\$ 734,162.55	\$ 526,872.99	\$ 1,563,580.15

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget	
Single Tax Office - #90					
4010 01.090.00000.4010	STANDARD SALARY	\$ 369,038.51	\$ 2,271,706.68	\$ 371,038.51	
4040 01.090.00000.4040	OTHER SALARY (MISC)	1,950.00	8,186.00	4,500.00	
4080 01.090.00000.4080	OVERTIME SALARY	3,500.00	3,474.96	3,750.00	
4119 01.090.00000.4119	HEALTH INSURANCE - SINGLE TAX OFFICE	315,835.50	345,823.18	410,670.98	
	TOTAL EMPLOYEE COMPENSATION	690,324.01	2,629,190.82	\$ 789,959.49	
6004 01.090.00000.6004	SINGLE TAX OFFICE AUDIT	-	-	-	
	TOTAL OPERATING EXPENDITURES	-	-	-	
	SINGLE TAX OFFICE DEPARTMENT TOTAL	\$ 690,324.01	\$ 2,629,190.82	\$ 789,959.49	

CITY OF SCRANTON				
2018 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
NON-DEPARTMENTAL EXPENDITURES - #401				
4299 01.401.10030.4299	ZONING BOARD	\$ 18,500.00	\$ 15,383.51	\$ 18,500.00
4299 01.401.10060.4299	EVERHART MUSEUM	29,000.00	28,999.98	29,000.00
4299 01.401.10075.4299	SCRANTON PLAN	10,000.00	10,000.00	60,000.00
4299 01.401.10080.4299	SCRANTON TOMORROW	32,500.00	30,000.00	75,000.00
4299 01.401.10110.4299	SHADE TREE COMMISSION	55,500.00	49,192.96	95,000.00
4299 01.401.10120.4299	ST. CATS AND DOGS	10,000.00		10,000.00
4299 01.401.10130.4299	MAYORS 504 TASK FORCE	1,500.00		1,000.00
4299 01.401.10140.4299	CIVIL SERVICE COMMISSION	47,500.00	2,344.37	25,000.00
4299 01.401.10150.4299	HUMAN RELATIONS COMMISSION	10,000.00		25,000.00
4299 01.401.10155.4299	LHVA TRAIL MAINTENANCE			21,000.00
	TOTAL BOARDS, COMMISSIONS, NON-PROFIT CONTRIBUTIONS	\$ 214,500.00	\$ 135,920.82	\$ 359,500.00
4299 01.401.15230.4299	TAN SERIES	12,750,000.00	6,500,000.00	12,750,000.00
4299 01.401.15240.4299	TAN SERIES INTEREST	210,000.00	86,666.67	494,850.00
4299 01.401.15306.4299	OPER TSF TO DEBT SVC-2003 SERIES A BONDS			
4299 01.401.15307.4299	OPER TSF TO DEBT SVC-2003 SERIES B BONDS	2,176,468.76	568,930.46	-
4299 01.401.15308.4299	OPER TSF TO DEBT SVC-2003 SERIES C BONDS	495,000.00	13,999,062.96	-
4299 01.401.15309.4299	OPER TSF TO DEBT SVC-2003 SERIES D BONDS	750,000.00	6,484,198.16	-
4299 01.401.15310.4299	OPER TSF TO DEBT SVC-STREET LIGHTING	532,541.68	450,000.00	450,058.36
4299 01.401.15311.4299	OPER TSF TO DEBT SVC-SALE LEASEBACK OF DPW- SERIES 2004	-		-
4299 01.401.15313.4299	OPER TSF TO DEBT SVC-2006 BOND	1,653,020.00	8,993,862.00	-
4299 01.401.15314.4299	OPER TSF TO DEBT SVC-SALE LEASEBACK - SERIES 2008	-		-
4299 01.401.15316.4299	OPER TSF TO DEBT SVC- OTHER FINANCING SOURCE	51,585.08		-
4299 01.401.15317.4299	OPER TSF DEBT SVC-2011 BOND	-		-
4299 01.401.15318.4299	OPER TSF DEBT SVC-SRA- PENN STAR BANK	-		-
4299 01.401.15319.4299	OPER TSF DEBT SVC-SCRANTON PARKING AUTHORITY	-		-
4299 01.401.15320.4299	OPER TSF TO DEBT SVC-GUARANTEED ENERGY SAVINGS	178,861.63	108,748.47	171,539.33
4299 01.401.15321.4299	OPER TSF TO DEBT SVC- REFINANCING- DEBT PYMNT REDUCTION	0.00		-
4299 01.401.15322.4299	OPER TSF TO DEBT SVC-ISSUANCE COSTS FOR LEASE OF METERS			
4299 01.401.15323.4299	OPER TSF TO DEBT SVC-2012 SERIES A UNFUNDED DEBT LOAN	1,000.00	6,541,174.10	-
4299 01.401.15324.4299	OPER TSF TO DEBT SVC-FDM REVOLVING AID LOAN	100,000.00	100,000.00	100,000.00
4299 01.401.15325.4299	OPER TSF TO DEBT SVC-2012 SERIES C	1,000.00	6,893,078.86	-
4299 01.401.15326.4299	OPER TSF TO DEBT SVC-2013 SERIES A	1,000.00	3,917,176.07	-
4299 01.401.15327.4299	OPER TSF TO DEBT SVC-2012 SERIES B	1,000.00	978,806.41	-
4299 01.401.15328.4299	OPER TSF TO DEBT SVC-SERIES OF 2016 GENERAL OBLIGATION NOTES	1,652,500.00	821,250.00	1,877,000.00
4299 01.401.15329.4299	OPER TSF TO DEBT SVC-2016 REDEVELOPMENT AUTHORITY SERIES A	1,490,500.00	745,250.00	2,420,500.00
4299 01.401.15328.4299	OPER TSF TO DEBT SVC-2016 REDEVELOPMENT AUTHORITY SERIES AA	918,175.00	206,587.50	2,061,662.50
4299 01.401.15331.4299	OPER TSF TO DEBT SVC-SERIES OF 2017 DEBT SERVICE REFUNDING	1,000.00	-	-
4299 01.401.15332.4299	OPER TSF TO DEBT SVC-SERIES OF 2017 GENERAL OBLIGATION REFUNDING	1,000.00	-	3,234,419.34
4299 01.401.15333.4299	OPER TSF TO DEBT SVC-LANDMARK	0.00		-
	TOTAL PRINCIPAL AND INTEREST, LOANS	\$ 22,964,652.15	\$ 57,374,791.66	\$ 23,560,029.53
4299 01.401.15329.4299	OPER TSF TO DEBT SVC-LEASE OF REFUSE PACKERS	170,360.93	127,546.51	218,147.96

CITY OF SCRANTON					
2018 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
	Account Number	Account Description	2017 Operating Budget	2017 (Through 09/30/2017)	2018 Operating Budget
	4299 01.401.15330.4299	OPER TSF TO DEBT SVC-LEASE OF KME ENGINE #4	49,849.00	49,849.00	49,849.00
	4299 01.401.15335.4299	OPER TSF TO DEBT SVC-LEASE OF LAW ENFORCEMENT MGMT SYSTEM	439,729.50	219,557.60	219,557.60
	4299 01.401.15334.4299	OPER TSF TO DEBT SVC-LEASE OF JOHN DEERE WHEEL LOADER	25,853.00		25,851.02
	4299 01.401.15336.4299	OPER TSF TO DEBT SVC-REPUBLIC LEASE OF TURNOUT GEAR	80,000.00	80,000.00	80,000.00
	4299 01.401.15337.4299	OPER TSF TO DEBT SVC-2017 GO Bonds	0.00		
	4299 01.401.15340.4299	OPER TSF TO DEBT SVC-LEASE FORD TRUCKS 2016	53,925.94	53,925.94	53,925.94
	4299 01.401.15341.4299	OPER TSF TO DEBT SVC-PIB LOAN	244,968.88		244,968.88
	4299 01.401.15342.4299	OPER TSF TO DEBT SVC-LEASE STREET LIGHTING	395,475.00	395,475.00	413,345.00
	4299 01.401.15343.4299	2018 AERIAL PLATFORM TRUCK LEASE	0.00		102,156.57
		TOTAL LEASE PAYMENTS	\$ 1,460,161.65	\$ 530,879.05	\$ 1,407,801.97
		TOTAL INTEREST & DEBT SERVICE	24,424,813.80	\$ 57,905,670.71	\$ 24,967,831.50
	4299 01.401.13090.4299	CONTINGENCY	585,000.00		705,799.10
	4299 01.401.13100.4299	OECD CONTINGENCY	45,000.00	-	45,000.00
	4299 01.401.16090.4299	UNENCUMBERED EXPENSES PRIOR YEAR OBLIGATIONS	850,000.00	155,415.56	550,000.00
	4299 01.401.16270.4299	COURT AWARDS	200,000.00	138,000.73	350,000.00
	4299 01.401.17020.4299	VETERAN'S ORGANIZATION	100.00	-	75,000.00
	4299 01.401.17040.4299	OPEB TRUST FUND	-	-	150,000.00
	4299 01.401.17060.4299	TRIPP PARK COMMUNITY CENTER	1,000.00	1,000.00	1,000.00
	4299 01.401.17080.4299	TARGETED EXPENSES - REVENUE PASS THROUGH ACCOUNT			300,000.00
		TOTAL UNPAID BILLS / COURT AWARDS / MISC	\$ 1,681,100.00	\$ 294,416.29	\$ 2,176,799.10
		TOTAL NON-DEPARTMENTAL EXPENDITURES	\$ 26,320,413.80	\$ 58,336,007.82	\$ 27,504,130.80
		TOTAL GENERAL FUND EXPENDITURES	\$ 95,482,145.14	\$ 95,799,864.38	\$ 107,674,797.79

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

Office of Economic and Community Development - #50					
Bureau of Administration					
POSITION/TITLE	2017	2018			
	Total	Total	#	#	
EXECUTIVE DIRECTOR	\$ 50,152.00	\$ 52,152.00	1		1
DEPUTY DIRECTOR	\$ 42,000.00	\$ 43,000.00	1		1
DIRECTOR OF FINANCE & COMPLIANCE	\$ 42,000.00	\$ 43,000.00	1		1
DIRECTOR OF HOUSING/ADA COMPLIANCE	\$ 32,491.00	\$ 34,491.00	1		1
SOLICITOR	\$ 52,500.00	\$ 52,500.00	1		1
ADMINISTRATIVE ASSISTANT III-FINANCIAL ANALYST	\$ 38,557.00	\$ 39,057.00	1		1
HOUSING SPECIALIST	\$ 35,500.00	\$ 36,000.00	1		1
ADMINISTRATIVE ASSISTANT	\$ 27,700.00	\$ 28,000.00	1		1
CITY PLANNER	\$ 42,624.00		1		1
PUBLIC SERVICE/ESG SPECIALIST	\$ 27,700.00	\$ 28,000.00	1		1
EQUAL OPPORTUNITY SPECIALIST	\$ 27,700.00	\$ 28,000.00	1		1
Bureau of Administration Total	\$ 418,924.00	\$ 384,200.00	11		11
non-addition to budget	non-addition to budget	non-addition to budget			
*Construction/ADA Specialist & Economic Development/Relocation Specialist position became Housing Specialist					
*Economic Development/Relocation Specialist position became Administrative Assistant					
Office of Economic and Community Development - #50					
Bureau of Neighborhood Police - #515					
POSITION/TITLE	2017	2018			
	Total	Total	#	#	
NEIGHBORHOOD POLICE OFFICERS	\$ 261,845.24	\$ 265,785.32	4		4
Bureau of Neighborhood Police Total	\$ 261,845.24	\$ 265,785.32	4		4
OECD Department Total	\$ 680,769.24	\$ 649,985.32	15		15
non-addition to budget	non-addition to budget	non-addition to budget			

	2017		2018	
	Total	#	Total	#
Total City of Scranton Budgeted Payroll (a)	\$ 26,985,357.02	477	\$ 27,443,641.99	478
(a) Does not include OECD Payroll				

GRA Consulting

September 29, 2017

Mr. David Bulzoni
Business Administrator
City of Scranton
Department of Business Administration
City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: The City's Self-Insured Workers' Compensation Program
Reserve Analysis and Loss Forecast, Self-Insurance Renewal Application

Dear Mr. Bulzoni:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program as of August 31, 2017. This analysis has been conducted to assist the administration of the City with their financial reporting requirements as well as to assist the City in their self-insurance renewal application process with the PA Bureau of Workers' Compensation.

By using the loss experience of The City of Scranton in combination with the City's own development patterns weighted with those patterns as promulgated by the Pennsylvania Bureau of Workers' Compensation, GRA Consulting has estimated the total discounted outstanding liabilities as of August 30, 2017 to be \$22,363,350. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 2.75 percent.

This is an increase of approximately \$260,000 over the prior report. The predominant impacts are threefold:

1. The apparent deterioration of program year 2016/17. Last year, at six months mature, we projected a discounted outstanding liability of \$1,433,187. Annualized would be estimated at \$2,866,374. Now, as of 18 months mature, the loss development approach projects a discounted outstanding liability of \$3,373,608, for a deterioration of approximately \$507,000.
2. The closure of the Daniel Corby claim, dol 8/24/98, resulting in a reserve takedown (savings) of approximately \$174,000, and
3. The closing of 62 claims during the past twelve months and their resultant reserve takedowns helped to offset some of the reserve increases in the more recent program years.

Gary R. Abramson, Casualty Actuarial Services
500 Tennessee Avenue #1, Carolina Beach, NC 28428
Tel. (908) 642-3031

Mr. David Bulzoni
9/29/2017
Page 2 of 2

Exhibit 5 details the level of anticipated, expected claims and claims expense expenditures for the 2018 calendar year, which total \$3,317,357. This is basically flat from the prior review. It is the Bureau's position that the estimated ultimate losses used in Exhibit 5 to project the upcoming cash payouts in 2018 be gross of any reinsurance recoverable. We have estimated that this position by the Bureau results in an overstatement of the expected cash payout during 2018 for the Wilding claim alone of approximately \$150,000.

In Exhibit 5, we continue to employ a selection process that is based upon the midpoint of a range of possible estimates of the claims and associated claims expense to be paid out in 2018. We had a prior history of overstating the expected payouts due to two issues: the selected paid loss development factors continued to overestimate the ultimate final costs, and, two, the Bureau's position that the starting point of this exhibit should be estimated ultimate losses by program year that reflect zero potential reinsurance recoveries for any year regardless of whether or not the providing carrier is viewed as qualified or not. This has been the Bureau's position since November of 2005.

Finally, as outlined in Table A, combining the expected claims to be paid in 2018 with the other expenses of the Fund as provided by the Business Administration staff, the total expenditures to the Fund for 2018 are anticipated to be \$3,743,432.

As noted previously, a change in the claims administration management of this program can have many impacts, from increasing reserves to a speed up in the payment of claims, or visa versa. It will take another one or two August 31st evaluations to determine whether the claims management philosophy of the newest TPA will have a material impact on the projected results of this program. We will continue to closely monitor changes in paid and reported loss emergence patterns for future analyses.

Should you have any questions or need for further clarification, please do not hesitate to contact me at (908) 642-3031. One original of this report and one working copy for the reinsurance company have been provided. In the interest of complying with the PA WC Bureau's request for a timely review of the actuarial report, I have forwarded an original of this report to Lac Longson, Actuary, PA Bureau of Workers' Compensation in Harrisburg.

The invoice for our services has been included in a separate cover within this mailing.

Sincerely,



Gary R. Abramson, ACAS, MAAA
Consulting Actuary

GRA: Scranton_cover_September 29_2017.doc

GRA Consulting

September 29, 2017

Mr. Lac Longson
Actuary
Commonwealth of Pennsylvania
Department of Labor & Industry
Self-Insurance and Safety Division
Bureau of Workers' Compensation
1171 S. Cameron Street
Harrisburg, PA 17104-2501

**RE: The City of Scranton
Pennsylvania Self-Insurance Renewal Application Security Requirements**

Dear Mr. Longson:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program. This analysis has been conducted to assist the administration of the City with their annual renewal application establishing security requirements with the Pennsylvania Bureau of Workers' Compensation, Self-Insurance and Safety Division.

By using the loss experience of The City of Scranton in combination with their own historical development patterns, weighted with Pennsylvania statewide development patterns as promulgated by your Department, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2017 to be \$22,363,350. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 2.75 percent.

The attached Table A summarizes the projected expenditures for the City's self-insured workers' compensation program for the calendar year commencing January 1, 2018. It includes estimates of the cost of claims and claim expense payments (gross of any anticipated reinsurance recoveries), claims administrative costs, general self-insurance costs and the Trust Fund operating expenses. The development of the claims liability expenses is explained within the attached synopsis; otherwise the expenses associated with 2018 are as estimated by The City based upon expected outlays. As displayed within this table, the projected annual expenditures for calendar year 2018 for all categories combined is \$3,743,432.

If you should have any questions, please do not hesitate to call me at (908) 642-0311.

Sincerely,



Gary R. Abramson, ACAS, MAAA
Consulting Actuary

Enclosures

GRA: DOC: SCRANTON_SMRY_8.31.17.DOC
cc: David Bulzoni, Business Administrator

Gary R. Abramson, Casualty Actuarial Services
500 Tennessee Avenue #1, Carolina Beach, NC 28428
Tel. (908) 642-3031

**The City of Scranton
Worker's Compensation**

Table A

**Projected Annual Expenditure Amounts
Calendar Year 2018**

<u>Category</u>	<u>Amount</u>
1. Claims Liability - midpoint of reasonableness range (Losses & ALAE payments, from Exhibit 5)	\$3,317,357
2. Claims Administrative Expense (PMA Claims Services annual services fee)	\$71,000
3. General Self-Insurance Expenses (Excess Reinsurance, Risk Mgmt Services, Loss Control & Special Assessments)	\$298,575
4. Trust Operating Expenses (Trust Fund fees including investment, accounting and actuarial services)	<u>\$56,500</u>
Total Projected Annual Expenditures (January 1, 2018 through December 31, 2018)	<u><u>\$3,743,432</u></u>

Table A.xls

29-Sep-17

Gary R. Abramson, Casualty Actuarial Services

THE CITY OF SCRANTON
Workers' Compensation

SYNOPSIS OF PROCEDURES

The general thrust of this analysis has involved the estimation of expected ultimate losses by program year. This is accomplished in the following fashion.

For all historical injury periods, loss development factors as promulgated by the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division, are combined with the historical development patterns of The City and then applied to the most recent evaluation of losses. This link ratio approach results in the estimation of ultimate losses by program year.

This methodology parallels that employed by the Bureau with the following exceptions:

- (1) Individual large losses, if necessary, are capped at their respective per occurrence retentions, subject to the reinsurance in-force being that as provided by a licensed carrier with a financial rating of at least B+.
- (2) Reported and paid loss development procedures are utilized prior to selecting ultimate loss estimates which are based upon a 60/40 weighted average of the two procedures, and
- (3) The estimated outstanding losses as of the date of evaluation are discounted to a present value basis utilizing the underlying payment pattern of the specific losses at a yield rate representative of the U.S. 30 year Treasury Bond in effect at the time of evaluation, as specified in the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division Regulations, § 125.9 (f).

A detailed explanation of the exhibits and analysis follows.

EXHIBIT 1

Sheet 1 of this exhibit provides a summary of the loss experience under analysis. The experience is that as provided by the PMA Companies, evaluated as of August 31, 2017. PMA assumed all claims administrative responsibilities from PA Claims Services as of March 1, 2013. The data displayed is the collective experience of all previous TPA's as provided to and assimilated by PMA. A comparison of the losses for accident years up through and including 2016/17, will show that during the previous twelve months, the program paid out \$2,161,000 in claims and related expenses, while the reported losses increased by approximately \$1,440,000 over the same time frame. This implies a decrease in the outstanding losses for the City's self-insured program of approximately \$720,000 for policy years up through and including 2016/17. This data has not been audited for accuracy but has been reviewed for reasonableness and consistency.

Sheet 2 of this exhibit provides basic exposure information in the form of number of employees and payroll for the current, prospective and twenty historical program periods. Trends in the average annual wage per employee are displayed for each year and for the twenty year history overall.

EXHIBIT 2

Exhibit 2 presents the development of the estimated ultimate losses for the respective accident periods.

Three versions of Exhibit 2 are presented – ultimate losses projected on a fully unlimited basis; ultimate loss projections limited to each policy periods specific per occurrence retention; and ultimate losses limited by the specific per occurrence retention for those reinsurers who have been approved by the Bureau as responsive reinsurers for the time periods under review.

The estimated losses of Exhibit 2, Sheets 2 & 3 have been presented on a limited basis. Excess insurance purchased by the City effectively limits the impact of any large loss to a specific per occurrence retention underlying the program. Column (F) identifies the critical large loss amount by accident period. Any reported claim at or exceeding this limit would effectively be subject to a special capping procedure, thereby limiting its impact on the overall obligations of the City. As of this valuation, 65 individual claims meet this criterion. This is a decrease of one (1) critical value claim from the prior August 2016 analysis.

From Sheet 3 of this exhibit, when the large claims are removed from this capping procedure due to the unlikely recovery of any reinsurance recoverables due from Frontier Insurance for program years 1995 and 1996 and the General Reinsurance Pappy Plan of late 1990-93, the number of critical claims declines to 35 overall. This is a decrease of one critical claim over the prior analysis. When comparing sheets 2 & 3 of this exhibit, the impact of the unresponsive reinsurance can be estimated at approximately \$6.75Million. It is Sheet 3 of this exhibit that forms the basis of the final analysis for this review.

The selected expected ultimate losses of this exhibit are based upon a 60/40 weighted average between the two loss development methodologies employed – reported & paid. Due to the influence of the City's previous and highly successful buyout program of older, open claims, it is anticipated that the estimate based solely upon paid losses would overstate the true underlying ultimate losses by program period. Therefore, while it is likely that the true ultimate losses by year will lie somewhere between the estimates developed by the two methodologies, it is expected that they will probably be more closely aligned with those of the reported methodology. This weighting methodology will need to be closely monitored on an ongoing basis to properly reflect the reserving and payment practices of the current TPA.

Development of the selected loss development factors utilized in the projection of ultimate losses for this exhibit is explained in greater detail in the commentary underlying Appendix A.

EXHIBIT 3

Exhibit 3 develops estimated ultimate losses for the current and prospective program years by extending loss-per-exposure estimates from prior accident periods. Various averages are displayed on this exhibit and the selected average attempts to balance responsiveness to current trends with the stability inherent in reviewing several years of experience. The selected average loss rate, per \$100 of payroll, is then multiplied by the estimated payroll base for the individual years, to yield estimated expected ultimate losses for the current, relatively immature March 1, 2017 - February 28, 2018 program year as well as the forecasted results for the March 1, 2018 – February 28, 2019 accident period. The selected loss rate for accident year 2017/18 remained steady from the prior analysis.

Loss trends utilized in this exhibit are selections based upon insurance industry averages. The City's actual wage trend over the previous twenty years led to a half point increase in the wage trend underlying this exhibit. To the extent that the City's actual underlying trend are different, a slight bias in the estimate may result. However, the excess insurance purchased by the City should limit the impact of this risk, at least from a severity viewpoint.

EXHIBIT 4

Exhibit 4 develops the estimated outstanding losses as of August 31, 2017 on both a nominal basis and a discounted basis. The estimated outstanding losses as of August 31, 2017 are calculated by subtracting the paid losses as of that date from the estimate of the limited ultimate losses derived in Exhibit 2, Sheet 3 and Exhibit 3 for program year 2017/18. The discounted outstanding losses of this exhibit were produced through the application of discount factors derived based upon the prevailing 30 year U.S. Treasury Bond rate in effect as of August 31, 2017 and the underlying payment pattern for the specific losses. In addition, there are ten large claims in the 1986/87-1988/89 program years plus another thirteen in the 1999 – 2002, and 2004 years as identified in Appendix B with paid to date amounts in excess of their underlying retention. Since Exhibit 2 has already limited these claims to a maximum of the underlying retention, any excess payments have to be backed-out in order to eliminate a double credit for reinsurance recoverable.

The discounted outstanding loss as calculated within Exhibit 4 is approximately \$260,000 greater than the prior analysis. It is generally reflective of the deterioration of the 2016/2017 program year's expected ultimate loss which was previously projected based upon a loss rated approach versus the current projection based upon the loss development methodologies. This deterioration offset some of the gains netted by the closure of 62 claims over the previous twelve months for program years prior to the current 2017/2018 year.

EXHIBIT 5

Exhibit 5 develops a projection of the calendar year 2018 expected claims payments, including allocated claims expenses, for each program year under review. This exhibit simply extrapolates from the unlimited ultimate losses as previously derived for the anticipated annual expenditures commencing January 1, 2018. The projection is based upon the underlying paid loss development patterns that underlie the development of the ultimate losses by program year (attached as Appendix A, Sheets 1-5). By converting the cumulative paid factors into a percentage of losses paid at a given maturity and then comparing that percentage twelve months later, a percentage of losses expected to be paid in the upcoming twelve months can be calculated. The subsequent multiplication across program years yields an anticipated annual expenditure for calendar year 2018 of \$3,791,265. This figure is inclusive of allocated claims expenses since they are contained within the underlying loss data as presented by PMA Companies for this analysis and is further presented gross of any anticipated reinsurance recoveries.

A review of prior years' payouts has shown that this method had generally overstated the projected claims payments for the upcoming twelve months by upwards of 25%. The reasoning is two-fold: historical paid development factors are overly conservative based upon the impact of historical buyout programs and the ultimate losses used to project the upcoming payments do not reflect potential reinsurance recoveries.

Our mid-point of a reasonable range of estimates (\$3,317,357) results in a 12.5% decrease in expected costs. Based upon the average monthly payments over the past twelve months (\$195,300), the \$3.23M midpoint might appear somewhat conservative, but when compared to the four year trend it appears to be reasonable and adequate.

APPENDIX A

Appendix A presents the analysis of historical loss development patterns utilizing a variety of curve fitting techniques and display's various goodness of fit tests. Pennsylvania WC Bureau development patterns for paid and reported losses and reported claim counts have been used to supplement the City's own experience. The City's own loss development patterns are displayed in the triangulations of Sheets 1-2 & 6-7, for paid and reported losses respectively.

Various averages of the development factors are shown, as are those of the Bureau of WC. The selected development factors attempt to weigh the responsiveness of the City's own experience with the stability inherent in those of the collective insurance industry in the Commonwealth of Pennsylvania for Industry Grouping 16, Public Administration entities. Selections of paid and reported loss development factors have remained steady over prior valuations and will need to be closely monitored going forward.

PMA has been the current TPA for over four years and continues to aggressively settle claims and establish reasonable reserves, resulting in some volatility in payouts especially in the more recent program years. The final selection process attempts to smooth over these variable data anomalies. Due to the termination of the previous TPA and the resultant laborious task by PMA to re-establish accurate claim files, annual aggregate evaluations for 12.31.12 through 12.31.13 have not been available. We have started to build new development pattern tables based on recent evaluations and currently have three successive August 31st evaluations (two point to point selections) upon which to build the new tables. It will be another year or two before they are credible enough to potentially influence the selection process.

APPENDIX B

Appendix B, Sheet 1 presents the derivation of the critical reported loss amounts necessary to identify current large losses that would require special treatment under various per claim retention programs.

These critical loss amounts were used during a review of individual large losses of the City as detailed through a PA Claims Statement of Losses valued as of August 31, 2017. As mentioned previously, currently sixty-five losses meet or exceed these critical amounts and are displayed individually by program year within Sheets 2 through 5 of this Appendix.

APPENDIX C

Appendix C presents the derivation of discount factors used in discounting each accident periods' outstanding liabilities. This exhibit utilizes a discount rate of 2.75% per annum in combination with the selected payment pattern underlying the paid losses. The discount rate is representative of the effective yield as of August 31, 2017 for 30 year US Treasury Bonds.

The City of Scranton
Summary of Historical Loss Experience
As of August 31, 2017

Accident Year	Maturity (months)	Number of Claims			Paid Losses (Net of Subro)	Reported Losses
		Closed	Open	Total		
03/01/79-02/28/80	462	5	1	6	\$1,281,498	\$1,287,267
03/01/80-02/28/81	450	6	1	7	\$1,787,645	\$1,853,978
03/01/81-02/28/82	438	6	1	7	\$2,178,489	\$2,269,337
03/01/82-02/28/83	426	8	1	9	\$729,614	\$799,233
03/01/83-02/28/84	414	2	1	3	\$1,632,860	\$1,753,155
03/01/84-02/28/85	402	5	0	5	\$134,535	\$134,535
03/01/85-02/28/86	390	3	1	4	\$1,307,440	\$1,350,565
03/01/86-02/28/87	378	1	2	3	\$1,403,930	\$1,537,292
03/01/87-02/28/88	366	8	1	9	\$2,434,741	\$2,468,437
03/01/88-02/28/89	354	4	5	9	\$3,101,640	\$3,811,726
03/01/89-02/28/90	342	10	1	11	\$1,990,693	\$2,024,637
03/01/90-02/28/91	330	18	2	20	\$2,767,136	\$3,148,210
03/01/91-02/28/92	318	114	4	118	\$5,535,320	\$5,869,389
03/01/92-02/28/93	306	201	2	203	\$5,268,493	\$5,377,224
03/01/93-02/28/94	294	176	5	181	\$7,619,995	\$7,807,289
03/01/94-02/28/95	282	194	0	194	\$1,815,475	\$1,815,480
03/01/95-02/28/96	270	273	4	277	\$6,889,312	\$6,981,035
03/01/96-02/28/97	258	220	3	223	\$2,392,361	\$2,950,533
03/01/97-02/28/98	246	235	1	236	\$2,271,134	\$2,295,059
03/01/98-02/28/99	234	219	2	221	\$2,235,761	\$2,235,767
03/01/99-02/28/00	222	233	0	233	\$2,026,959	\$2,026,957
03/01/00-02/28/01	210	194	0	194	\$1,751,046	\$1,751,054
03/01/01-02/28/02	198	191	0	191	\$2,505,028	\$2,505,031
03/01/02-02/28/03	186	206	3	209	\$5,638,984	\$5,704,170
03/01/03-02/28/04	174	150	2	152	\$1,553,858	\$1,962,561
03/01/04-02/28/05	162	149	1	150	\$3,087,946	\$3,094,492
03/01/05-02/28/06	150	156	0	156	\$1,576,622	\$1,576,847
03/01/06-02/28/07	138	168	2	170	\$1,773,638	\$1,920,928
03/01/07-02/28/08	126	174	1	175	\$1,515,262	\$1,541,236
03/01/08-02/28/09	114	140	3	143	\$1,521,724	\$1,529,705
03/01/09-02/28/10	102	157	1	158	\$1,413,852	\$1,438,179
03/01/10-02/28/11	90	157	1	158	\$1,747,959	\$1,747,967
03/01/11-02/28/12	78	145	3	148	\$1,957,485	\$2,104,717
03/01/12-02/28/13	66	131	4	135	\$1,288,299	\$1,360,036
03/01/13-02/28/14	54	125	0	125	\$1,186,240	\$1,186,236
03/01/14-02/28/15	42	111	4	115	\$1,565,009	\$1,641,459
03/01/15-02/28/16	30	114	9	123	\$2,221,479	\$4,462,254
03/01/16-02/28/17	18	78	21	99	\$1,325,516	\$1,508,037
03/01/17-02/28/18	6	<u>33</u>	<u>19</u>	<u>52</u>	<u>\$182,045</u>	<u>\$264,427</u>
Totals		4520	112	4632	\$90,617,023	\$97,096,441

Source: PMA Companies Loss Summary by Policy, Account # 0441006
Statement of Losses Valued as of August 31, 2017

Note: Claim counts include claims closed without payment, and notice & medical only claims

The City of Scranton
Summary of Historical Exposure
As of August 31, 2017

<u>Calendar Year</u>	<u>Number of Employees</u>	<u>Payroll</u>	<u>Average Pay Per EE</u>	<u>Annual Change in Avg Payroll</u>
1997	571	\$18,920,100	\$33,135	
1998	584	\$18,968,992	\$32,481	-2.0%
1999	485	\$19,098,399	\$39,378	21.2%
2000	516	\$22,307,900	\$43,232	9.8%
2001	605	\$24,626,474	\$40,705	-5.8%
2002	580	\$21,313,870	\$36,748	-9.7%
2003	543	\$16,463,598	\$30,320	-17.5%
2004	562	\$20,214,639	\$35,969	18.6%
2005	520	\$17,887,985	\$34,400	-4.4%
2006	529	\$17,807,008	\$33,662	-2.1%
2007	516	\$18,738,747	\$36,315	7.9%
2008	525	\$19,114,409	\$36,408	0.3%
2009	549	\$18,670,308	\$34,008	-6.6%
2010	555	\$24,921,069	\$44,903	32.0%
2011	480	\$24,992,200	\$52,067	16.0%
2012	468	\$22,633,282	\$48,362	-7.1%
2013	498	\$28,699,650	\$57,630	19.2%
2014	480	\$30,574,331	\$63,697	10.5%
2015	475	\$32,395,961	\$68,202	7.1%
2016	474	\$31,625,548	\$66,721	-2.2%
2017	477	\$32,198,864	\$67,503	1.2%
Average Annual Trend in Average Payroll per Employee:				5.2%
2018 Budgetary	477	\$34,986,321	\$73,347	8.7%

Source: City of Scranton, Department of Business Administration

Estimation of Unlimited Ultimate Losses

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/17	Paid Losses at 8/31/17	Large Loss Critical Amount	Number of Losses > Column(F)	Reported on Large Losses	Paid on Large Losses
03/01/86-02/28/87	8/31/2017	378.0	\$1,537,292	\$1,403,930	N/A	N/A	N/A	N/A
03/01/87-02/28/88	8/31/2017	366.0	\$2,468,437	\$2,434,741	N/A	N/A	N/A	N/A
03/01/88-02/28/89	8/31/2017	354.0	\$3,811,726	\$3,101,840	N/A	N/A	N/A	N/A
03/01/89-02/28/90	8/31/2017	342.0	\$2,024,637	\$1,990,693	N/A	N/A	N/A	N/A
03/01/90-02/28/91	8/31/2017	330.0	\$3,148,210	\$2,767,136	N/A	N/A	N/A	N/A
03/01/91-02/28/92	8/31/2017	318.0	\$5,869,389	\$5,535,320	N/A	N/A	N/A	N/A
03/01/92-02/28/93	8/31/2017	306.0	\$5,377,224	\$5,268,493	N/A	N/A	N/A	N/A
03/01/93-02/28/94	8/31/2017	294.0	\$7,807,289	\$7,619,995	N/A	N/A	N/A	N/A
03/01/94-02/28/95	8/31/2017	282.0	\$1,815,480	\$1,815,475	N/A	N/A	N/A	N/A
03/01/95-02/28/96	8/31/2017	270.0	\$6,981,035	\$6,889,312	N/A	N/A	N/A	N/A
03/01/96-02/28/97	8/31/2017	258.0	\$2,950,533	\$2,392,381	N/A	N/A	N/A	N/A
03/01/97-02/28/98	8/31/2017	246.0	\$2,295,059	\$2,271,134	N/A	N/A	N/A	N/A
03/01/98-02/28/99	8/31/2017	234.0	\$2,235,767	\$2,235,761	N/A	N/A	N/A	N/A
03/01/99-02/28/00	8/31/2017	222.0	\$2,026,957	\$2,026,959	N/A	N/A	N/A	N/A
03/01/00-02/28/01	8/31/2017	210.0	\$1,751,054	\$1,751,046	N/A	N/A	N/A	N/A
03/01/01-02/28/02	8/31/2017	198.0	\$2,505,031	\$2,505,028	N/A	N/A	N/A	N/A
03/01/02-02/28/03	8/31/2017	186.0	\$5,704,170	\$5,638,984	N/A	N/A	N/A	N/A
03/01/03-02/28/04	8/31/2017	174.0	\$1,962,561	\$1,553,858	N/A	N/A	N/A	N/A
03/01/04-02/28/05	8/31/2017	162.0	\$3,094,492	\$3,087,946	N/A	N/A	N/A	N/A
03/01/05-02/28/06	8/31/2017	150.0	\$1,578,847	\$1,578,822	N/A	N/A	N/A	N/A
03/01/06-02/28/07	8/31/2017	138.0	\$1,920,928	\$1,773,638	N/A	N/A	N/A	N/A
03/01/07-02/28/08	8/31/2017	126.0	\$1,541,236	\$1,515,282	N/A	N/A	N/A	N/A
03/01/08-02/28/09	8/31/2017	114.0	\$1,529,785	\$1,521,724	N/A	N/A	N/A	N/A
03/01/09-02/28/10	8/31/2017	102.0	\$1,438,179	\$1,413,852	N/A	N/A	N/A	N/A
03/01/10-02/28/11	8/31/2017	90.0	\$1,747,967	\$1,747,959	N/A	N/A	N/A	N/A
03/01/11-02/28/12	8/31/2017	78.0	\$2,104,717	\$1,957,485	N/A	N/A	N/A	N/A
03/01/12-02/28/13	8/31/2017	66.0	\$1,380,038	\$1,288,289	N/A	N/A	N/A	N/A
03/01/13-02/28/14	8/31/2017	54.0	\$1,186,236	\$1,186,240	N/A	N/A	N/A	N/A
03/01/14-02/28/15	8/31/2017	42.0	\$1,641,459	\$1,565,009	N/A	N/A	N/A	N/A
03/01/15-02/28/16	8/31/2017	30.0	\$4,462,254	\$2,221,479	N/A	N/A	N/A	N/A
03/01/16-02/28/17	8/31/2017	18.0	\$1,508,037	\$1,325,516	N/A	N/A	N/A	N/A
03/01/17-02/28/18	8/31/2017	6.0	\$284,427	\$182,045	N/A	N/A	N/A	N/A
Totals			\$87,648,371	\$81,584,942				

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2017	378.0	1.039	\$1,507,715	1.172	\$1,645,063	\$1,616,854
03/01/87-02/28/88	8/31/2017	366.0	1.041	\$2,589,279	1.178	\$2,868,570	\$2,868,595
03/01/88-02/28/89	8/31/2017	354.0	1.043	\$3,973,785	1.185	\$3,675,884	\$3,864,645
03/01/89-02/28/90	8/31/2017	342.0	1.044	\$2,114,344	1.192	\$2,373,883	\$2,218,160
03/01/90-02/28/91	8/31/2017	330.0	1.046	\$3,293,794	1.200	\$3,321,896	\$3,305,035
03/01/91-02/28/92	8/31/2017	318.0	1.048	\$6,153,116	1.209	\$6,692,884	\$6,269,015
03/01/92-02/28/93	8/31/2017	306.0	1.051	\$5,649,409	1.218	\$6,419,573	\$5,967,475
03/01/93-02/28/94	8/31/2017	294.0	1.053	\$8,221,865	1.229	\$9,382,442	\$8,678,095
03/01/94-02/28/95	8/31/2017	282.0	1.056	\$1,916,815	1.240	\$2,250,792	\$2,050,406
03/01/95-02/28/96	8/31/2017	270.0	1.059	\$7,391,519	1.252	\$8,625,104	\$7,884,353
03/01/96-02/28/97	8/31/2017	258.0	1.062	\$3,133,728	1.265	\$3,027,155	\$3,081,099
03/01/97-02/28/98	8/31/2017	246.0	1.066	\$2,445,917	1.280	\$2,907,350	\$2,630,490
03/01/98-02/28/99	8/31/2017	234.0	1.070	\$2,391,794	1.297	\$2,898,773	\$2,594,528
03/01/99-02/28/00	8/31/2017	222.0	1.074	\$2,177,613	1.315	\$2,665,189	\$2,372,844
03/01/00-02/28/01	8/31/2017	210.0	1.079	\$1,890,156	1.335	\$2,338,418	\$2,063,461
03/01/01-02/28/02	8/31/2017	198.0	1.085	\$2,718,550	1.359	\$3,403,552	\$2,992,551
03/01/02-02/28/03	8/31/2017	186.0	1.092	\$6,228,166	1.385	\$7,810,879	\$6,861,245
03/01/03-02/28/04	8/31/2017	174.0	1.099	\$2,157,825	1.418	\$2,199,562	\$2,174,520
03/01/04-02/28/05	8/31/2017	162.0	1.108	\$3,429,874	1.451	\$4,479,928	\$3,249,895
03/01/05-02/28/06	8/31/2017	150.0	1.119	\$1,764,239	1.492	\$2,352,430	\$1,999,516
03/01/06-02/28/07	8/31/2017	138.0	1.131	\$2,173,173	1.541	\$2,733,327	\$2,367,224
03/01/07-02/28/08	8/31/2017	126.0	1.148	\$1,766,907	1.600	\$2,424,642	\$2,038,001
03/01/08-02/28/09	8/31/2017	114.0	1.165	\$1,782,196	1.673	\$2,545,235	\$2,087,412
03/01/09-02/28/10	8/31/2017	102.0	1.189	\$1,709,371	1.763	\$2,493,221	\$2,022,911
03/01/10-02/28/11	8/31/2017	90.0	1.219	\$2,130,852	1.800	\$3,288,822	\$2,593,240
03/01/11-02/28/12	8/31/2017	78.0	1.260	\$2,651,891	2.036	\$3,985,828	\$3,185,466
03/01/12-02/28/13	8/31/2017	66.0	1.318	\$1,791,885	2.253	\$2,902,957	\$2,228,314
03/01/13-02/28/14	8/31/2017	54.0	1.404	\$1,665,174	2.575	\$3,054,698	\$2,220,883
03/01/14-02/28/15	8/31/2017	42.0	1.545	\$2,536,811	3.097	\$4,846,881	\$3,480,839
03/01/15-02/28/16	8/31/2017	30.0	1.816	\$8,103,474	4.076	\$9,055,212	\$8,484,169
03/01/16-02/28/17	8/31/2017	18.0	2.504	\$3,776,219	6.504	\$8,620,809	\$5,714,095
03/01/17-02/28/18	8/31/2017	6.0	6.603	\$1,746,023	20.231	\$3,682,975	\$2,820,804
Totals				\$103,053,469		\$130,951,714	\$114,212,770

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Not applicable

Columns (G) through (I): Not applicable

Column(M): Appendix A, Sheet 9 & 9A

Column(N): Col(D) x Col(M)

Column(O): Appendix A, Sheet 4 & 4A

Column(P): Col(E) x Col(D)

Column(Q): 60% of Col. (N) and 40% of Col. (P)

Estimation of Limited Ultimate Losses
Limited to Specific per Claim Retentions (Assumes Full Reinsurance Recoveries)

(A) Accident Period	(B) Evaluation Date	(C) Maturity (months)	(D) Reported Losses at 8/31/17	(E) Paid Losses at 8/31/17	(F) Large Loss Critical Amount	(G) Number of Losses > Column(F)	(H) Reported on Large Losses	(I) Paid on Large Losses
03/01/88-02/28/87	8/31/2017	378.0	\$1,537,292	\$1,403,930	\$241,062	3	\$1,537,291	\$1,403,930
03/01/87-02/28/88	8/31/2017	366.0	\$2,468,437	\$2,434,741	\$338,837	4	\$2,118,643	\$2,084,948
03/01/86-02/28/89	8/31/2017	354.0	\$3,811,726	\$3,101,840	\$288,440	5	\$2,722,219	\$2,028,093
03/01/85-02/28/90	8/31/2017	342.0	\$2,024,837	\$1,990,883	\$478,810	1	\$504,370	\$470,426
03/01/84-02/28/91	8/31/2017	330.0	\$3,148,210	\$2,767,136	\$478,881	2	\$1,472,058	\$1,090,983
03/01/83-02/28/92	8/31/2017	318.0	\$5,889,389	\$5,535,320	\$334,583	8	\$4,212,448	\$3,878,390
03/01/82-02/28/93	8/31/2017	306.0	\$5,377,224	\$5,268,483	\$381,650	4	\$2,603,408	\$2,494,880
03/01/81-02/28/94	8/31/2017	294.0	\$7,807,289	\$7,619,995	\$380,561	9	\$5,135,530	\$4,948,318
03/01/80-02/28/95	8/31/2017	282.0	\$1,815,480	\$1,815,475	\$332,043	0	\$0	\$0
03/01/79-02/28/96	8/31/2017	270.0	\$6,981,035	\$6,888,312	\$473,001	5	\$3,022,839	\$2,931,119
03/01/78-02/28/97	8/31/2017	258.0	\$2,950,533	\$2,392,381	\$471,218	2	\$1,432,639	\$878,982
03/01/77-02/28/98	8/31/2017	246.0	\$2,295,059	\$2,271,134	\$375,559	1	\$395,272	\$395,272
03/01/76-02/28/99	8/31/2017	234.0	\$2,235,767	\$2,235,761	\$374,154	0	\$0	\$0
03/01/75-02/28/00	8/31/2017	222.0	\$2,026,957	\$2,026,959	\$232,876	3	\$942,198	\$942,198
03/01/74-02/28/01	8/31/2017	210.0	\$1,751,054	\$1,751,048	\$231,794	3	\$1,008,418	\$1,008,418
03/01/73-02/28/02	8/31/2017	198.0	\$2,505,031	\$2,505,028	\$230,581	4	\$1,292,419	\$1,292,419
03/01/72-02/28/03	8/31/2017	186.0	\$5,704,170	\$5,638,984	\$275,055	5	\$2,168,818	\$2,146,690
03/01/71-02/28/04	8/31/2017	174.0	\$1,962,561	\$1,553,858	\$318,720	1	\$688,103	\$287,625
03/01/70-02/28/05	8/31/2017	162.0	\$3,094,482	\$3,087,948	\$361,402	2	\$915,257	\$915,257
03/01/69-02/28/06	8/31/2017	150.0	\$1,576,847	\$1,576,622	\$447,840	0	\$0	\$0
03/01/68-02/28/07	8/31/2017	138.0	\$1,920,828	\$1,773,638	\$664,262	1	\$670,913	\$523,624
03/01/67-02/28/08	8/31/2017	126.0	\$1,541,236	\$1,515,262	\$655,771	0	\$0	\$0
03/01/66-02/28/09	8/31/2017	114.0	\$1,529,705	\$1,521,724	\$845,623	0	\$0	\$0
03/01/65-02/28/10	8/31/2017	102.0	\$1,438,179	\$1,413,852	\$633,306	0	\$0	\$0
03/01/64-02/28/11	8/31/2017	90.0	\$1,747,967	\$1,747,959	\$659,287	0	\$0	\$0
03/01/63-02/28/12	8/31/2017	78.0	\$2,104,717	\$1,957,465	\$638,764	0	\$0	\$0
03/01/62-02/28/13	8/31/2017	66.0	\$1,360,036	\$1,288,299	\$612,107	0	\$0	\$0
03/01/61-02/28/14	8/31/2017	54.0	\$1,186,236	\$1,188,240	\$576,244	0	\$0	\$0
03/01/60-02/28/15	8/31/2017	42.0	\$1,641,458	\$1,585,009	\$525,719	0	\$0	\$0
03/01/59-02/28/16	8/31/2017	30.0	\$4,462,254	\$2,221,479	\$450,070	2	\$2,401,629	\$598,216
03/01/58-02/28/17	8/31/2017	18.0	\$1,508,037	\$1,325,516	\$328,170	0	\$0	\$0
03/01/57-02/28/18	8/31/2017	6.0	\$264,427	\$182,045	\$126,743	0	\$0	\$0
Totals			\$87,848,371	\$81,564,942		65	\$35,294,471	\$30,320,478

(J) Accident Period	(K) Evaluation Date	(L) Maturity (months)	(M) Cumulative Rptd Loss Dev Factor	(N) Implied Limited Ultimate Losses	(O) Cumulative Paid Loss Dev Factor	(P) Implied Limited Ultimate Losses	(Q) Selected Estimated Ultimate Losses
03/01/88-02/28/87	8/31/2017	378.0	1.039	\$855,001	1.172	\$855,000	\$855,000
03/01/87-02/28/88	8/31/2017	366.0	1.041	\$1,784,084	1.178	\$1,812,121	\$1,783,299
03/01/86-02/28/89	8/31/2017	354.0	1.043	\$2,835,828	1.185	\$2,972,236	\$2,830,381
03/01/85-02/28/90	8/31/2017	342.0	1.044	\$2,087,627	1.192	\$2,312,904	\$2,177,738
03/01/84-02/28/91	8/31/2017	330.0	1.046	\$2,753,865	1.200	\$3,012,192	\$2,857,076
03/01/83-02/28/92	8/31/2017	318.0	1.048	\$4,537,037	1.209	\$4,803,427	\$4,543,593
03/01/82-02/28/93	8/31/2017	306.0	1.051	\$4,514,221	1.218	\$4,979,846	\$4,700,471
03/01/81-02/28/94	8/31/2017	294.0	1.053	\$6,413,632	1.229	\$6,882,603	\$6,601,220
03/01/80-02/28/95	8/31/2017	282.0	1.056	\$1,916,815	1.240	\$2,250,792	\$2,080,406
03/01/79-02/28/96	8/31/2017	270.0	1.059	\$6,690,937	1.252	\$7,455,477	\$6,998,753
03/01/78-02/28/97	8/31/2017	258.0	1.062	\$2,612,138	1.265	\$2,914,968	\$2,733,270
03/01/77-02/28/98	8/31/2017	246.0	1.066	\$2,424,863	1.280	\$2,801,350	\$2,575,338
03/01/76-02/28/99	8/31/2017	234.0	1.070	\$2,391,794	1.297	\$2,898,773	\$2,594,690
03/01/75-02/28/00	8/31/2017	222.0	1.074	\$1,815,385	1.315	\$2,176,320	\$2,010,759
03/01/74-02/28/01	8/31/2017	210.0	1.079	\$1,551,630	1.335	\$1,741,736	\$1,627,872
03/01/73-02/28/02	8/31/2017	198.0	1.085	\$2,395,970	1.359	\$2,727,557	\$2,528,805
03/01/72-02/28/03	8/31/2017	186.0	1.092	\$5,371,029	1.385	\$6,337,501	\$5,757,618
03/01/71-02/28/04	8/31/2017	174.0	1.099	\$1,776,260	1.416	\$2,167,415	\$1,932,722
03/01/70-02/28/05	8/31/2017	162.0	1.108	\$3,215,421	1.451	\$3,952,092	\$3,510,090
03/01/69-02/28/06	8/31/2017	150.0	1.119	\$1,764,239	1.492	\$2,352,430	\$1,998,516
03/01/68-02/28/07	8/31/2017	138.0	1.131	\$2,164,159	1.541	\$2,876,378	\$2,349,047
03/01/67-02/28/08	8/31/2017	126.0	1.145	\$1,766,907	1.600	\$2,424,642	\$2,030,061
03/01/66-02/28/09	8/31/2017	114.0	1.165	\$1,782,196	1.673	\$2,545,235	\$2,087,412
03/01/65-02/28/10	8/31/2017	102.0	1.189	\$1,708,371	1.763	\$2,493,221	\$2,022,911
03/01/64-02/28/11	8/31/2017	90.0	1.219	\$2,130,852	1.880	\$3,286,822	\$2,593,240
03/01/63-02/28/12	8/31/2017	78.0	1.260	\$2,651,891	2.036	\$3,985,828	\$3,185,488
03/01/62-02/28/13	8/31/2017	66.0	1.318	\$1,791,885	2.253	\$2,902,957	\$2,235,314
03/01/61-02/28/14	8/31/2017	54.0	1.404	\$1,665,174	2.575	\$3,054,698	\$2,220,843
03/01/60-02/28/15	8/31/2017	42.0	1.545	\$2,536,811	3.097	\$4,648,881	\$3,480,839
03/01/59-02/28/16	8/31/2017	30.0	1.816	\$5,233,144	4.076	\$8,212,683	\$5,424,950
03/01/58-02/28/17	8/31/2017	18.0	2.504	\$3,776,219	6.504	\$8,620,909	\$5,714,055
03/01/57-02/28/18	8/31/2017	6.0	6.603	\$1,746,023	20.231	\$3,682,975	\$2,520,804
Totals				\$88,742,008		\$116,139,889	\$99,701,154

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Appendix B, Sheet 1 & 2

Columns (G) through (I): PMA Large Loss Report by Policy Period

Column(H): Appendix A, Sheet 9 & 9A

Column(N): (Col(D)-Col(H))xCol(M) + Col(G) x Specific Retention

Column(O): Appendix A, Sheet 4 & 4A

Column(P): (Col(E)-Col(I))xCol(O) + Col(G) x Specific Retention

Column(Q): 80% of Col. (N) and 40% of Col. (P)

Estimation of Limited Ultimate Losses
Limited to Specific per Claim Retentions

(Assumes Allowable Reinsurance recoveries - all but Frontier 1994-1996 and General Re/Pappy Plan 1990-1993)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/17	Paid Losses at 8/31/17	Large Loss Critical Amount	Number of Losses > Column(F)	Reported on Large Losses	Paid on Large Losses
03/01/86-02/28/87	8/31/2017	378.0	\$1,537,292	\$1,403,930	\$241,062	3	\$1,537,291	\$1,403,930
03/01/87-02/28/88	8/31/2017	368.0	\$2,468,437	\$2,434,741	\$336,837	4	\$2,116,843	\$2,084,948
03/01/88-02/28/89	8/31/2017	354.0	\$3,811,726	\$3,101,840	\$288,440	5	\$2,722,219	\$2,028,093
03/01/89-02/28/90	8/31/2017	342.0	\$2,024,937	\$1,990,893	\$479,810	1	\$504,370	\$470,426
03/01/90-02/28/91	8/31/2017	330.0	\$3,148,210	\$2,767,138	\$478,891	0	\$0	\$0
03/01/91-02/28/92	8/31/2017	318.0	\$5,869,389	\$5,535,320	\$334,583	0	\$0	\$0
03/01/92-02/28/93	8/31/2017	306.0	\$5,377,224	\$5,268,493	\$381,650	0	\$0	\$0
03/01/93-02/28/94	8/31/2017	294.0	\$7,897,289	\$7,619,995	\$380,581	0	\$0	\$0
03/01/94-02/28/95	8/31/2017	282.0	\$1,815,480	\$1,815,475	\$332,043	0	\$0	\$0
03/01/95-02/28/96	8/31/2017	270.0	\$8,981,035	\$8,889,312	\$473,001	0	\$0	\$0
03/01/96-02/28/97	8/31/2017	258.0	\$2,950,533	\$2,382,381	\$471,218	0	\$0	\$0
03/01/97-02/28/98	8/31/2017	246.0	\$2,295,059	\$2,271,134	\$375,559	1	\$385,272	\$395,272
03/01/98-02/28/99	8/31/2017	234.0	\$2,235,767	\$2,235,761	\$374,154	0	\$0	\$0
03/01/99-02/28/00	8/31/2017	222.0	\$2,026,957	\$2,026,959	\$232,876	3	\$942,198	\$942,198
03/01/00-02/28/01	8/31/2017	210.0	\$1,751,054	\$1,751,046	\$231,794	3	\$1,008,418	\$1,008,418
03/01/01-02/28/02	8/31/2017	198.0	\$2,505,031	\$2,505,028	\$230,581	4	\$1,292,419	\$1,292,419
03/01/02-02/28/03	8/31/2017	186.0	\$5,704,170	\$5,638,984	\$275,055	5	\$2,168,818	\$2,146,600
03/01/03-02/28/04	8/31/2017	174.0	\$1,962,551	\$1,553,858	\$318,720	1	\$688,103	\$287,625
03/01/04-02/28/05	8/31/2017	162.0	\$3,094,492	\$3,087,946	\$361,402	2	\$915,257	\$915,257
03/01/05-02/28/06	8/31/2017	150.0	\$1,576,847	\$1,578,822	\$447,840	0	\$0	\$0
03/01/06-02/28/07	8/31/2017	138.0	\$1,920,928	\$1,773,838	\$684,282	1	\$670,913	\$523,624
03/01/07-02/28/08	8/31/2017	126.0	\$1,541,236	\$1,515,262	\$855,771	0	\$0	\$0
03/01/08-02/28/09	8/31/2017	114.0	\$1,529,705	\$1,521,724	\$645,623	0	\$0	\$0
03/01/09-02/28/10	8/31/2017	102.0	\$1,438,179	\$1,413,852	\$633,366	0	\$0	\$0
03/01/10-02/28/11	8/31/2017	90.0	\$1,747,987	\$1,747,959	\$859,287	0	\$0	\$0
03/01/11-02/28/12	8/31/2017	78.0	\$2,104,717	\$1,957,485	\$638,784	0	\$0	\$0
03/01/12-02/28/13	8/31/2017	66.0	\$1,360,036	\$1,288,299	\$612,107	0	\$0	\$0
03/01/13-02/28/14	8/31/2017	54.0	\$1,185,236	\$1,186,240	\$576,244	0	\$0	\$0
03/01/14-02/28/15	8/31/2017	42.0	\$1,841,459	\$1,585,009	\$525,719	0	\$0	\$0
03/01/15-02/28/16	8/31/2017	30.0	\$4,482,254	\$2,221,479	\$450,070	2	\$2,461,829	\$599,216
03/01/16-02/28/17	8/31/2017	18.0	\$1,508,037	\$1,325,516	\$328,170	0	\$0	\$0
03/01/17-02/28/18	8/31/2017	6.0	\$264,427	\$182,045	\$126,743	0	\$0	\$0
Totals			\$87,648,371	\$81,584,942		35	\$17,415,551	\$14,098,025

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2017	378.0	1.039	\$855,001	1.172	\$855,000	\$855,000
03/01/87-02/28/88	8/31/2017	368.0	1.041	\$1,764,084	1.178	\$1,812,121	\$1,783,289
03/01/88-02/28/89	8/31/2017	354.0	1.043	\$2,835,828	1.185	\$2,972,236	\$2,890,361
03/01/89-02/28/90	8/31/2017	342.0	1.044	\$2,087,827	1.192	\$2,312,904	\$2,177,738
03/01/90-02/28/91	8/31/2017	330.0	1.046	\$3,283,794	1.200	\$3,321,806	\$3,285,035
03/01/91-02/28/92	8/31/2017	318.0	1.048	\$8,153,116	1.209	\$6,892,864	\$8,369,019
03/01/92-02/28/93	8/31/2017	306.0	1.051	\$5,849,409	1.218	\$6,418,573	\$6,957,475
03/01/93-02/28/94	8/31/2017	294.0	1.053	\$8,221,865	1.229	\$9,362,442	\$8,578,096
03/01/94-02/28/95	8/31/2017	282.0	1.056	\$1,916,815	1.240	\$2,250,792	\$2,050,406
03/01/95-02/28/96	8/31/2017	270.0	1.059	\$7,391,519	1.252	\$9,625,104	\$7,884,853
03/01/96-02/28/97	8/31/2017	258.0	1.062	\$3,133,728	1.285	\$3,027,155	\$3,091,999
03/01/97-02/28/98	8/31/2017	246.0	1.065	\$2,424,663	1.280	\$2,801,350	\$2,575,338
03/01/98-02/28/99	8/31/2017	234.0	1.070	\$2,391,794	1.297	\$2,899,773	\$2,594,586
03/01/99-02/28/00	8/31/2017	222.0	1.074	\$1,915,385	1.315	\$2,176,320	\$2,019,789
03/01/00-02/28/01	8/31/2017	210.0	1.079	\$1,551,630	1.335	\$1,741,736	\$1,627,672
03/01/01-02/28/02	8/31/2017	198.0	1.085	\$2,395,970	1.359	\$2,727,557	\$2,528,605
03/01/02-02/28/03	8/31/2017	186.0	1.092	\$5,371,029	1.385	\$6,337,501	\$6,787,818
03/01/03-02/28/04	8/31/2017	174.0	1.099	\$1,776,260	1.416	\$2,167,415	\$1,932,722
03/01/04-02/28/05	8/31/2017	162.0	1.108	\$3,215,421	1.451	\$3,952,092	\$3,510,090
03/01/05-02/28/06	8/31/2017	150.0	1.119	\$1,784,239	1.492	\$2,352,430	\$1,999,516
03/01/06-02/28/07	8/31/2017	138.0	1.131	\$2,164,159	1.541	\$2,876,378	\$2,389,047
03/01/07-02/28/08	8/31/2017	126.0	1.146	\$1,766,907	1.600	\$2,424,642	\$2,030,001
03/01/08-02/28/09	8/31/2017	114.0	1.165	\$1,782,106	1.673	\$2,545,235	\$2,087,412
03/01/09-02/28/10	8/31/2017	102.0	1.189	\$1,709,371	1.763	\$2,493,221	\$2,022,911
03/01/10-02/28/11	8/31/2017	90.0	1.219	\$2,130,852	1.880	\$3,288,822	\$2,593,240
03/01/11-02/28/12	8/31/2017	78.0	1.260	\$2,651,891	2.036	\$3,985,828	\$3,185,486
03/01/12-02/28/13	8/31/2017	66.0	1.318	\$1,791,885	2.253	\$2,902,957	\$2,236,314
03/01/13-02/28/14	8/31/2017	54.0	1.404	\$1,865,174	2.575	\$3,054,898	\$2,220,883
03/01/14-02/28/15	8/31/2017	42.0	1.545	\$2,536,811	3.097	\$4,848,881	\$3,469,839
03/01/15-02/28/16	8/31/2017	30.0	1.816	\$5,233,144	4.076	\$8,212,683	\$6,424,960
03/01/16-02/28/17	8/31/2017	18.0	2.504	\$3,776,219	6.504	\$8,620,809	\$6,714,058
03/01/17-02/28/18	8/31/2017	6.0	6.693	\$1,746,023	20.231	\$3,882,975	\$3,520,894
Totals				\$95,063,809		\$123,540,390	\$108,454,444

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Appendix B, Sheet 1

Columns (G) through (J): PMA Large Loss Report by Policy Period

Column(M): Appendix A, Sheet 9 & 9A

Column(N): (Col(D)-Col(H))xCol(M) + Col(G) x Specific Retention

Column(O): Appendix A, Sheet 4 & 4A

Column(P): (Col(E)-Col(I))xCol(O) + Col(G) x Specific Retention

Column(Q): 60% of Col. (N) and 40% Col. (P)

The City of Scranton
Workers' Compensation

Exhibit 3

Estimation of Limited Ultimate Losses

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Limited Ultimate Losses	Loss Trend Factor	Trended Limited Ultimate Losses	Payroll	Payroll Trend Factor	Adjusted Payroll	Loss Rate per \$100 of Payroll
03/01/07-02/28/08	\$2,030,001	1.791	\$3,635,423	\$18,801,357	1.480	\$27,830,602	\$13.06
03/01/08-02/28/09	\$2,087,412	1.689	\$3,526,638	\$19,040,392	1.423	\$27,100,415	\$13.01
03/01/09-02/28/10	\$2,022,911	1.594	\$3,224,213	\$19,712,101	1.369	\$26,977,372	\$11.95
03/01/10-02/28/11	\$2,593,240	1.504	\$3,899,274	\$24,932,924	1.316	\$32,810,027	\$11.88
03/01/11-02/28/12	\$3,185,466	1.419	\$4,518,644	\$24,599,047	1.265	\$31,125,642	\$14.52
03/01/12-02/28/13	\$2,236,314	1.338	\$2,992,692	\$23,644,343	1.217	\$28,766,959	\$10.40
03/01/13-02/28/14	\$2,220,983	1.262	\$2,803,940	\$29,012,097	1.170	\$33,940,050	\$8.26
03/01/14-02/28/15	\$3,460,839	1.191	\$4,121,915	\$30,877,936	1.125	\$34,733,479	\$11.87
03/01/15-02/28/16	\$6,424,960	1.124	\$7,219,085	\$32,267,559	1.082	\$34,900,591	\$20.68
03/01/16-02/28/17	\$5,714,055	1.060	\$6,056,898	\$31,721,101	1.040	\$32,989,945	\$18.36
Total	\$31,976,181		\$41,998,723			\$311,175,081	\$13.50
Excl HI & Lo			\$31,975,698			\$242,334,440	\$13.19
Avg Last 5 Yrs			\$23,194,531			\$165,331,024	\$14.03
Avg Last 3 Yrs			\$17,397,898			\$102,624,015	\$16.95

Column(F): Based upon a selected annual wage trend of 4.0%

Column(G): Column (E) x Column (F)

Column(H): Column (D) / Column (G)

Column(J): Selected average of Column (H), trended for 2018-19

Column(K): Exhibit 1, Sheet 2

Column(L): Column (J) x Column (K)

(I)	(J)	(K)	(L)
Accident Period	Selected Loss Rate	Payroll	Forecast Limited Ultimate Losses
03/01/17-02/28/18	\$13.50	\$32,663,440	\$4,409,564
03/01/18-02/28/19	\$13.76	\$35,190,408	\$4,842,065

Column(B): Exhibit 2, Sheet 3

Column(C): Based upon a selected annual loss trend of 6.0%

Column(D): Column (B) x Column (C)

Column(E): Exhibit 1, Sheet 2

FORECAST.XLS

Gary R. Abramson, Casualty Actuarial Services

29-Sep-17

**The City of Scranton
Worker's Compensation**

Exhibit 4

Projection of Discounted Outstanding Losses

(A) Accident Year	(B) Limited Ultimate Losses	(C) Paid Losses	(D) Outstanding Losses	(E) Discount Factor	(F) Discounted Outstanding Losses
As of August 31, 2017:					
Pre - 1986	\$9,448,070	\$9,052,081	\$395,989	0.973	\$385,391
1986/87	\$855,000	\$850,000	\$5,000	0.973	\$4,867
1987/88	\$1,783,298	\$1,749,793	\$33,505	0.973	\$32,608
1988/89	\$2,890,391	\$2,660,982	\$229,409	0.963	\$220,840
1989/90	\$2,177,738	\$1,990,693	\$187,045	0.952	\$178,076
1990/91	\$3,305,035	\$2,767,136	\$537,899	0.939	\$505,280
1991/92	\$6,369,015	\$5,535,320	\$833,695	0.927	\$772,554
1992/93	\$5,957,475	\$5,268,493	\$688,982	0.914	\$629,507
1993/94	\$8,678,096	\$7,619,995	\$1,058,101	0.901	\$953,024
1994/95	\$2,050,406	\$1,815,475	\$234,931	0.888	\$208,544
1995/96	\$7,884,953	\$6,889,312	\$995,641	0.875	\$870,861
1996/97	\$3,091,099	\$2,392,361	\$698,738	0.862	\$602,120
1997/98	\$2,575,338	\$2,271,134	\$304,204	0.849	\$258,202
1998/99	\$2,594,586	\$2,235,761	\$358,825	0.836	\$299,954
1999/00	\$2,019,759	\$1,832,579	\$187,180	0.823	\$154,067
2000/01	\$1,627,672	\$1,481,672	\$146,000	0.810	\$118,316
2001/02	\$2,528,605	\$2,303,711	\$224,894	0.798	\$179,391
2002/03	\$5,757,618	\$4,969,864	\$787,753	0.788	\$620,419
2003/04	\$1,932,722	\$1,553,858	\$378,864	0.777	\$294,563
2004/05	\$3,510,090	\$2,972,689	\$537,400	0.770	\$413,733
2005/06	\$1,999,516	\$1,576,622	\$422,894	0.762	\$322,356
2006/07	\$2,369,047	\$1,773,638	\$595,409	0.757	\$450,897
2007/08	\$2,030,001	\$1,515,262	\$514,739	0.752	\$387,247
2008/09	\$2,087,412	\$1,521,724	\$565,688	0.750	\$424,182
2009/10	\$2,022,911	\$1,413,852	\$609,059	0.747	\$455,203
2010/11	\$2,593,240	\$1,747,959	\$845,281	0.747	\$631,363
2011/12	\$3,185,466	\$1,957,485	\$1,227,981	0.748	\$918,196
2012/13	\$2,236,314	\$1,288,299	\$948,015	0.750	\$710,756
2013/14	\$2,220,983	\$1,186,240	\$1,034,743	0.753	\$779,135
2014/15	\$3,460,839	\$1,565,009	\$1,895,830	0.757	\$1,435,801
2015/16	\$6,424,960	\$2,221,479	\$4,203,481	0.763	\$3,206,048
2016/17	\$5,714,055	\$1,325,516	\$4,388,539	0.769	\$3,373,608
2017/18	<u>\$2,204,782</u>	<u>\$182,045</u>	<u>\$2,022,737</u>	0.774	<u>\$1,566,241</u>
Totals	\$115,586,492	\$87,488,039	\$28,098,451		\$22,363,350

Column (B): Exhibit 2, Sheet 3, or Exhibit 1, Sheet 1 for Pre-1986

Accident Year 2017/18 from Loss Forecast, Exhibit 3, as of 6 months

Column (C): Exhibit 1, Sheet 1, less claim payments in excess of SIR

(applicable to program years 1986 - 1988, 1999 - 2002, and 2004)

Column (D): Column (B) - Column (C)

Column (E): Appendix C

Column (F): Column (D) x Column (E)

**The City of Scranton
Worker's Compensation**

Exhibit 5

**Projection of Annual Expenditure Amounts
Calendar Year 2018**

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Year	Unlimited Ultimate Losses	Accident Year Age (in months) at 12/31/17	Ultimate Paid Loss Development Factor	Percentage Paid As of at 12/31/17	Percentage of Losses Paid in Upcoming 12 Months	Anticipated Losses & ALAE Paid in Upcoming 12 Months
Pre - 1986	\$9,448,070	430	1.070	93.5%	1.0%	\$94,481
1986/87	\$1,616,654	382	1.111	90.0%	1.0%	\$16,167
1987/88	\$2,688,996	370	1.124	89.0%	1.0%	\$27,999
1988/89	\$3,854,545	358	1.137	88.0%	1.0%	\$39,218
1989/90	\$2,218,160	346	1.151	86.9%	1.1%	\$23,734
1990/91	\$3,305,035	334	1.165	85.8%	1.0%	\$34,514
1991/92	\$6,369,015	322	1.180	84.8%	1.1%	\$69,510
1992/93	\$5,957,475	310	1.195	83.7%	1.1%	\$63,386
1993/94	\$8,678,096	298	1.211	82.6%	1.1%	\$95,966
1994/95	\$2,050,406	286	1.227	81.5%	1.1%	\$22,083
1995/96	\$7,884,953	274	1.243	80.5%	1.0%	\$82,735
1996/97	\$3,091,099	262	1.259	79.4%	1.0%	\$31,610
1997/98	\$2,630,490	250	1.275	78.4%	1.0%	\$26,224
1998/99	\$2,594,586	238	1.291	77.5%	1.0%	\$25,225
1999/00	\$2,372,644	226	1.309	76.4%	1.0%	\$24,795
2000/01	\$2,069,461	214	1.328	75.3%	1.1%	\$23,548
2001/02	\$2,992,551	202	1.351	74.0%	1.2%	\$37,199
2002/03	\$6,861,245	190	1.376	72.7%	1.4%	\$93,506
2003/04	\$2,174,520	178	1.405	71.2%	1.5%	\$32,615
2004/05	\$3,849,895	166	1.438	69.5%	1.7%	\$63,817
2005/06	\$1,999,516	154	1.478	67.7%	1.8%	\$36,796
2006/07	\$2,397,234	142	1.524	65.6%	2.1%	\$49,214
2007/08	\$2,030,001	130	1.579	63.3%	2.3%	\$46,739
2008/09	\$2,087,412	118	1.647	60.7%	2.6%	\$54,211
2009/10	\$2,022,911	106	1.731	57.8%	2.9%	\$59,629
2010/11	\$2,593,240	94	1.838	54.4%	3.4%	\$87,348
2011/12	\$3,185,466	82	1.979	50.5%	3.9%	\$123,495
2012/13	\$2,236,314	70	2.172	46.0%	4.5%	\$100,552
2013/14	\$2,220,983	58	2.452	40.8%	5.3%	\$116,726
2014/15	\$3,460,839	46	2.891	34.6%	6.2%	\$214,180
2015/16	\$8,484,169	34	3.668	27.3%	7.3%	\$621,728
2016/17	\$5,714,055	22	5.379	18.6%	8.7%	\$495,784
2017/18	\$4,409,564	10	11.749	8.5%	10.1%	\$444,401
2018/19	<u>\$4,842,065</u>	0	N/A	0.0%	8.5%	<u>\$412,130</u>
Totals	\$130,391,665					\$3,791,265

Column (B): Exhibit 2, Sheet 1 or Exhibit 3 for Accident Years 2017 and 2018

Column (D): Appendix A, Sheet 5, runoff of 1997/98 and prior

Column (E): 1/Column (D)

Column (F): Annual Differences in Column (E)

Pre-1986 based upon factors from Appendix A, Sheet 3, 4 year prior

Column (G): Column (B) x Column (F)

\$2,843,449 @ 75%
\$3,317,357 Midpoint

Analysis Based Upon Paid Loss and Expenses
As of December 31, 2011

ACCIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months	264 Months	276 Months	288 Months	300 Months	
1/1/87 - 12/31/87																										
1/1/88 - 12/31/88																										
1/1/89 - 12/31/89																										
1/1/90 - 12/31/90																										
1/1/91 - 12/31/91																										
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1/1/93 - 12/31/93																										
1/1/94 - 12/31/94																										
1/1/95 - 12/31/95																										
1/1/96 - 12/31/96																										
1/1/97 - 12/31/97																										
1/1/98 - 12/31/98																										
1/1/99 - 12/31/99																										
1/1/00 - 12/31/00																										
1/1/01 - 12/31/01																										
1/1/02 - 12/31/02																										
1/1/03 - 12/31/03																										
1/1/04 - 12/31/04																										
1/1/05 - 12/31/05																										
1/1/06 - 12/31/06																										
1/1/07 - 12/31/07																										
1/1/08 - 12/31/08																										
1/1/09 - 12/31/09																										
1/1/10 - 12/31/10																										
1/1/11 - 12/31/11																										

ACCIDENT YEAR	12/24	24/30	36/48	48/60	60/72	72/84	84/96	96/108	108/120	120/132	132/144	144/156	156/168	168/180	180/192	192/204	204/216	216/228	228/240	240/252	252/264	264/276	276/288	288/300	
1/1/87 - 12/31/87																									
1/1/88 - 12/31/88																									
1/1/89 - 12/31/89																									
1/1/90 - 12/31/90																									
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1/1/07 - 12/31/07																									
1/1/08 - 12/31/08																									
1/1/09 - 12/31/09																									
1/1/10 - 12/31/10																									

Analysis Based Upon Paid Loss and Expenses
As of December 31, 2011

	12/24	24/36	36/48	48/60	60/72	72/84	84/96	96/108	108/120	120/132	132/144	144/156	156/168	168/180	180/192	192/204	204/216	216/228	228/240	240/252	252/264	264/276	276/288	288/300	Total
St. Avenue	2,232	1,450	1,270	1,265	1,181	1,123	1,098	1,074	1,059	1,033	1,008	983	958	933	908	883	858	833	808	783	758	733	708	683	658
Widow's	2,194	1,450	1,250	1,267	1,144	1,143	1,096	1,066	1,062	1,038	1,013	988	963	938	913	888	863	838	813	788	763	738	713	688	663
Age (4-15 & low)	2,202	1,442	1,246	1,257	1,134	1,116	1,096	1,072	1,055	1,030	1,005	980	955	930	905	880	855	830	805	780	755	730	705	680	655
Selected	2,215	1,450	1,200	1,266	1,146	1,135	1,098	1,078	1,059	1,039	1,012	986	960	934	908	882	856	830	804	778	752	726	700	674	648
Cumulative No bill	12,418	5,806	3,867	3,223	2,547	2,225	1,980	1,805	1,674	1,581	1,523	1,434	1,376	1,331	1,273	1,238	1,202	1,165	1,141	1,116	1,094	1,071	1,048	1,024	1,000
Cumulative No bill	13,350	6,027	4,156	3,464	2,736	2,381	2,107	1,940	1,800	1,698	1,637	1,542	1,480	1,431	1,385	1,331	1,282	1,235	1,226	1,202	1,178	1,151	1,126	1,101	1,076

(Note: potential overstatement due to the influence of an aggressive buyout program of prior program years, 1999 - 2002)

2008 Bureau Factors	8,776	3,415	2,701	2,320	2,070	1,908	1,759	1,685	1,607	1,540	1,476	1,418	1,364	1,316	1,270	1,228	1,190	1,157							
Cumulative for Industry Grouping 16: Public Administration																									
50/50 Weighting	10,064	4,721	3,429	2,892	2,404	2,149	1,948	1,813	1,703	1,620	1,557	1,486	1,422	1,373	1,318	1,278	1,241								

ANALYSIS OF DEVELOPMENT PATTERNS USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A \cdot (B^X)$ (Power Model)				Curve : $Y = 1 / (1 - \text{EXP}(-A \cdot B^X))$ (Weibull)				Curve : $Y = A \cdot ((X/B) + 1)$ (Inverse Power Curve)				*** SELECTED ***			
		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES	
X	Y	X	Y	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y(Y-1)]	X	Y	LN(X)	LN(Y-1)	X	Y	LN(X)	Y	
Cumulative Paid Loss Dev Factor																	
12	12.418	12.00	0.92	1.478	120	1.551	2.48	-2.48	120	1.551	2.48	2.44	120	1.551	2.44	1.551	
24	5.606	24.00	0.64	1.382	132	1.466	3.16	-1.53	132	1.466	-3.18	1.53	132	1.551	-3.18	1.466	
36	3.867	36.00	0.30	1.307	144	1.397	3.58	-1.21	144	1.397	-3.56	1.05	144	1.494	-3.56	1.397	
48	3.222	48.00	0.16	1.248	156	1.340	3.87	-0.99	156	1.340	-3.87	0.80	156	1.448	-3.87	1.340	
60	2.547	60.00	-0.07	1.201	168	1.283	4.08	-0.70	168	1.283	-4.09	0.44	168	1.406	-4.09	1.283	
72	2.225	72.00	-0.22	1.164	180	1.254	4.28	-0.52	180	1.254	-4.28	0.20	180	1.372	-4.28	1.254	
84	1.960	84.00	-0.40	1.134	192	1.220	4.43	-0.34	192	1.220	-4.43	-0.04	192	1.342	-4.43	1.220	
96	1.805	96.00	-0.53	1.110	204	1.192	4.56	-0.21	204	1.192	-4.56	-0.22	204	1.317	-4.56	1.192	
108	1.674	108.00	-0.66	1.090	216	1.168	4.66	-0.09	216	1.168	-4.68	-0.39	216	1.295	-4.68	1.168	
				1.074	228	1.147			228	1.147			228	1.275		1.147	
				1.061	240	1.126			240	1.126			240	1.258		1.126	
				1.050	252	1.113			252	1.113			252	1.242		1.113	
				1.041	264	1.099			264	1.099			264	1.228		1.099	
				1.034	276	1.087			276	1.087			276	1.216		1.087	
				1.028	288	1.077			288	1.077			288	1.205		1.077	
				1.023	300	1.068			300	1.068			300	1.194		1.068	
				1.019	312	1.060			312	1.060			312	1.185		1.060	
				1.016	324	1.053			324	1.053			324	1.176		1.053	
				1.013	336	1.046			336	1.046			336	1.168		1.046	
				1.011	348	1.041			348	1.041			348	1.161		1.041	
SUM		540.00	0.05				35.17	-8.16				-35.17	5.80				
AVERAGE		60.00	0.01				3.91	-0.91				-3.91	0.64				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES			
		N =	9.000	N =	9.000	N =	9.000	N =	9.000			N =	9.000				
		A =	13.290	A =	0.005	A =	0.005	A =	0.005			A =	273.503				
		B =	0.984	B =	1.069	B =	1.069	B =	1.069			B =	1.271				
		R^2 =	0.977	R^2 =	0.998	R^2 =	0.998	R^2 =	0.998			R^2 =	0.997				

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 City of Scranton WC Paid Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

Appendix A
 Sheet 4

ACTUAL VALUES		Curve : $Y = A \cdot (B^X)$ (Power Model)		Curve : $Y = 1 / (1 - \exp(-A \cdot X^B))$ (Weibull)		Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	X	LN[Y]	LN(X)	Double Log [Y/(Y-1)]	LN(1/X)	LN(Y-1)	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor								
12	10.054	12.00	0.94	2.48	-2.26	-2.48	2.20	6.0	20.231
24	4.721	24.00	0.44	3.18	-1.44	-3.18	1.31	18.0	6.504
36	3.429	36.00	0.21	3.58	-1.06	-3.58	0.89	30.0	4.076
48	2.892	48.00	0.06	3.87	-0.86	-3.87	0.64	42.0	3.097
60	2.404	60.00	-0.13	4.09	-0.62	-4.09	0.34	54.0	2.575
72	2.149	72.00	-0.27	4.28	-0.47	-4.28	0.14	66.0	2.253
84	1.948	84.00	-0.41	4.43	-0.33	-4.43	-0.05	78.0	2.038
96	1.813	96.00	-0.52	4.56	-0.22	-4.56	-0.21	90.0	1.880
		102.0	1.641					102.0	1.763
		114.0	1.511					114.0	1.673
		126.0	1.410					126.0	1.600
		138.0	1.332					138.0	1.541
		150.0	1.269					150.0	1.492
		162.0	1.220					162.0	1.451
		174.0	1.180					174.0	1.416
		186.0	1.148					186.0	1.385
		198.0	1.122					198.0	1.359
		210.0	1.100					210.0	1.335
		222.0	1.083					222.0	1.315
		234.0	1.069					234.0	1.297
SUM		432.00	0.22	30.48	-7.25	-30.48	5.26		
AVERAGE		54.00	0.03	3.81	-0.91	-3.81	0.66		
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES			
		N =	8,000	N =	8,000	N =	8,000		
		A =	10.364	A =	0.010	A =	147.967		
		B =	0.985	B =	0.960	B =	1.139		
		R^2 =	0.961	R^2 =	0.994	R^2 =	0.998		

PAID_FIT.xls

28-Sep-17

Gary R. Johnson, Casualty Actuarial Services

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 City of Scranton WC Paid Loss Development Factors

Appendix A
 Sheet 4A

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES			Curve : $Y = A \cdot (B^X)$ (Power Model)			Curve : $Y = 1 / (1 - \exp(-AX^B))$ (Weibull)			Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)			*** SELECTED ***		
X	Y		X	LN(Y)	FITTED VALUES	LN(X)	Double Log LN(Y)	FITTED VALUES	LN(X)	LN(Y-1)	FITTED VALUES	X	Y	FITTED VALUES
Maturity (Months)	Paid Loss Dev Factor		X	LN(Y)								X	Y	
12	10.064		12.00	0.84	246.0	2.48	-2.26	246.0	-2.48	2.20	246.0	246.0	1.280	1.280
24	4.721		24.00	0.44	258.0	3.18	-1.44	258.0	-3.18	1.31	258.0	258.0	1.265	1.265
36	3.429		36.00	0.21	270.0	3.58	-1.06	270.0	-3.58	0.89	270.0	270.0	1.252	1.252
48	2.892		48.00	0.06	282.0	3.87	-0.86	282.0	-3.87	0.64	282.0	282.0	1.240	1.240
60	2.404		60.00	-0.13	294.0	4.09	-0.62	294.0	-4.09	0.34	294.0	294.0	1.229	1.229
72	2.149		72.00	-0.27	306.0	4.28	-0.47	306.0	-4.28	0.14	306.0	306.0	1.218	1.218
84	1.948		84.00	-0.41	318.0	4.43	-0.33	318.0	-4.43	-0.05	318.0	318.0	1.209	1.209
96	1.813		96.00	-0.52	330.0	4.56	-0.22	330.0	-4.56	-0.21	330.0	330.0	1.200	1.200
					342.0			342.0			342.0	342.0	1.192	1.192
					354.0			354.0			354.0	354.0	1.185	1.185
					366.0			366.0			366.0	366.0	1.178	1.178
					378.0			378.0			378.0	378.0	1.172	1.172
					390.0			390.0			390.0	390.0	1.166	1.166
					402.0			402.0			402.0	402.0	1.160	1.160
					414.0			414.0			414.0	414.0	1.155	1.155
					426.0			426.0			426.0	426.0	1.150	1.150
					438.0			438.0			438.0	438.0	1.145	1.145
					450.0			450.0			450.0	450.0	1.141	1.141
					462.0			462.0			462.0	462.0	1.137	1.137
					474.0			474.0			474.0	474.0	1.133	1.133
SUM			432.00	0.22		30.48	-7.25		-30.48	5.26				
AVERAGE			54.00	0.03		3.81	-0.91		-3.81	0.68				
			PARAMETER ESTIMATES			PARAMETER ESTIMATES			PARAMETER ESTIMATES					
			N =		8.000	N =		8.000	N =		8.000			
			A =		10.364	A =		0.010	A =		147.967			
			B =		0.985	B =		0.960	B =		1.139			
			R^2 =		0.961	R^2 =		0.994	R^2 =		0.998			

PAID_FIT2.xls

28-Sep-17

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 City of Scranton WC Paid Loss Development Factors

Appendix A
 Sheet 5

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A \cdot (B \cdot X)^C$ (Power Model)		Curve : $Y = 1 / (1 - \exp(-AX^B))$ (Weibull)		Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES
X	Y	X	LN(LN(Y))	LN(X)	Double Log [Y/(Y-1)]	X	LN(Y-1)	LN(1/X)	LN(Y-1)
12	10.064	12.00	0.94	2.48	-2.28	10	11.038	-2.48	2.20
24	4.721	24.00	0.44	3.18	-1.44	22	5.456	-3.18	1.31
36	3.429	36.00	0.21	3.58	-1.06	34	3.776	-3.58	0.89
48	2.892	48.00	0.06	3.87	-0.86	46	2.967	-3.87	0.64
60	2.404	60.00	-0.13	4.09	-0.62	58	2.490	-4.09	0.34
72	2.149	72.00	-0.27	4.28	-0.47	70	2.177	-4.28	0.14
84	1.948	84.00	-0.41	4.43	-0.33	82	1.956	-4.43	-0.05
96	1.813	96.00	-0.52	4.56	-0.22	94	1.792	-4.56	-0.21
		106	1.594			106	1.667		
		118	1.474			118	1.568		
		130	1.382			130	1.488		
		142	1.309			142	1.423		
		154	1.252			154	1.369		
		166	1.206			166	1.323		
		178	1.169			178	1.285		
		190	1.139			190	1.252		
		202	1.114			202	1.223		
		214	1.094			214	1.198		
		226	1.078			226	1.177		
		238	1.065			238	1.158		
SUM		432.00	0.22	30.46	-7.25			-30.48	5.26
AVERAGE		54.00	0.03	3.81	-0.91			-3.81	0.68
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
		N =	8,000	N =	8,000	N =	8,000	N =	8,000
		A =	10.364	A =	0.010	A =	147.967	A =	147.967
		B =	0.985	B =	0.960	B =	1.139	B =	1.139
		R^2 =	0.981	R^2 =	0.994	R^2 =	0.998	R^2 =	0.998

PAYOUTS.xls

25-Sep-17

Analytic Based Upon Incurred Loss and Expenses
As of December 31, 2011

ACIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months	264 Months	276 Months	288 Months	300 Months	
1/1/87 - 12/31/87																										
1/1/88 - 12/31/88																										
1/1/89 - 12/31/89																										
1/1/90 - 12/31/90																										
1/1/91 - 12/31/91																										
1/1/92 - 12/31/92																										
1/1/93 - 12/31/93																										
1/1/94 - 12/31/94																										
1/1/95 - 12/31/95																										
1/1/96 - 12/31/96																										
1/1/97 - 12/31/97																										
1/1/98 - 12/31/98																										
1/1/99 - 12/31/99																										
1/1/00 - 12/31/00																										
1/1/01 - 12/31/01																										
1/1/02 - 12/31/02																										
1/1/03 - 12/31/03																										
1/1/04 - 12/31/04																										
1/1/05 - 12/31/05																										
1/1/06 - 12/31/06																										
1/1/07 - 12/31/07																										
1/1/08 - 12/31/08																										
1/1/09 - 12/31/09																										
1/1/10 - 12/31/10																										
1/1/11 - 12/31/11																										

Analytic Based Upon Incurred Loss and Expenses
As of December 31, 2011

	12/24	24/36	36/45	48/60	60/72	72/84	84/96	96/108	108/120	Point to Point Incurred Loss Development Factors	182/192	182/204	204/216	216/228	228/240	240/252	252/264	264/276	276/288	288/300	Time
St. Average	2.155	1.322	1.305	1.062	0.945	1.015	1.047	1.007	1.013	0.880	1.037	1.002	1.008	1.006	1.012	1.018	0.995	1.002	1.002	1.009	
Ward Ave.	1.387	1.248	1.188	1.068	0.994	1.007	1.033	1.001	1.015	0.989	1.033	1.017	1.005	1.002	1.008	1.016	0.985	1.002	1.004	1.009	
Avg (ex-high & low)	2.025	1.287	1.183	1.062	0.990	1.018	1.029	1.015	1.008	0.983	1.031	1.006	1.001	1.003	1.005	1.003	0.995	1.002	1.004	1.009	
Selected	2.025	1.300	1.185	1.082	0.965	1.012	1.035	1.007	1.013	1.000	1.034	1.012	1.003	1.003	1.006	1.010	0.995	1.002	1.003	1.009	1.919
Cumulative/No. all	3.930	1.941	1.493	1.260	1.164	1.182	1.168	1.129	1.121	1.106	1.108	1.070	1.057	1.054	1.040	1.024	1.009	1.014	1.012	1.000	
Cumulative/No. all	3.970	1.880	1.508	1.272	1.176	1.184	1.180	1.140	1.132	1.117	1.117	1.081	1.068	1.065	1.050	1.034	1.019	1.024	1.022	1.016	1.916
2000 Bureau Factors	3.271	2.112	1.788	1.560	1.464	1.390	1.334	1.293	1.269	1.225	1.192	1.161	1.134	1.110	1.087	1.068					
Cumulative for Industry Grouping 16, Public Administration																					
50/50 Weighting	3.020	2.036	1.648	1.430	1.320	1.292	1.257	1.217	1.195	1.171	1.155	1.121	1.101	1.087	1.074	1.063					

The City of Scranton
 Weighted Average of PA Bureau of WC Incurred Loss Development Factors
 City of Scranton WC Incurred Loss Development Factors

Appendix A
 Sheet 9

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A(B^X)$ (Power Model)		Curve : $Y = 1 / (1 - \exp(-AX^B))$ (Weibull)		Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES	TRANSFORMED VALUES	FITTED VALUES
X	Y	LN(LN(Y))		LN(X)	Double Log [Y(Y-1)]	LN(1/X)	LN(Y-1)	LN(1/X)	LN(Y-1)
12	3,820	0.25	6.0	2.48	-1.13	-2.48	0.96	-2.48	0.96
24	2,036	-0.34	18.0	3.18	-0.39	-3.18	0.04	-3.18	0.04
36	1,648	-0.69	30.0	3.58	-0.07	-3.58	-0.43	-3.58	-0.43
48	1,428	-1.04	42.0	3.87	0.19	-3.87	-0.85	-3.87	-0.85
60	1,329	-1.28	54.0	4.09	0.35	-4.09	-1.14	-4.09	-1.14
72	1,292	-1.36	66.0	4.28	0.40	-4.28	-1.23	-4.28	-1.23
84	1,257	-1.48	78.0	4.43	0.46	-4.43	-1.36	-4.43	-1.36
96	1,217	-1.63	90.0	4.56	0.55	-4.56	-1.53	-4.56	-1.53
			102.0	1.57					
			114.0	1.17					
			126.0	1.090					
			138.0	1.069					
			150.0	1.053					
			162.0	1.041					
			174.0	1.032					
			186.0	1.025					
			198.0	1.019					
			210.0	1.015					
			222.0	1.012					
			234.0	1.009					
SUM		432.00	-7.57	30.48	0.35	-30.48	-5.55	-30.48	-5.55
AVERAGE		54.00	-0.95	3.81	0.04	-3.81	-0.88	-3.81	-0.88

PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
N =	6,000	N =	8,000	N =	8,000
A =	3,327	A =	0.050	A =	47,857
B =	0.979	B =	0.795	B =	1.197
R^2 =	0.911	R^2 =	0.976	R^2 =	0.993

RPTD_FIT.XLS

26-Sep-17

The City of Scranton
 Weighted Average of PA Bureau of WC Incurred Loss Development Factors
 City of Scranton WC Incurred Loss Development Factors

Appendix A
 Sheet 9A

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A \cdot (B^X)$ (Power Model)		Curve : $Y = 1 / [1 - \exp(-A \cdot X^B)]$ (Weibull)		Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	X	LN(Y)	LN(X)	Double Log [Y/(Y-1)]	LN(X)	LN(Y-1)		
TRANSFORMED VALUES		TRANSFORMED VALUES		TRANSFORMED VALUES		TRANSFORMED VALUES		FITTED VALUES	
X	Y	X	Y	X	Y	X	Y	X	Y
12	3.620	12.00	0.25	2.48	-1.13	-2.48	0.96	246.0	1.066
24	2.036	24.00	-0.34	3.18	-0.39	-3.18	0.04	258.0	1.062
36	1.648	36.00	-0.68	3.58	-0.07	-3.58	-0.43	270.0	1.059
48	1.426	48.00	-1.04	3.87	0.19	-3.87	-0.85	282.0	1.055
60	1.320	60.00	-1.28	4.09	0.35	-4.09	-1.14	294.0	1.053
72	1.292	72.00	-1.36	4.28	0.40	-4.28	-1.23	306.0	1.051
84	1.257	84.00	-1.48	4.43	0.46	-4.43	-1.38	318.0	1.048
96	1.217	96.00	-1.63	4.56	0.55	-4.56	-1.53	330.0	1.046
								342.0	1.044
								354.0	1.043
								366.0	1.041
								378.0	1.039
								390.0	1.038
								402.0	1.037
								414.0	1.035
								426.0	1.034
								438.0	1.033
								450.0	1.032
								462.0	1.031
								474.0	1.030
SUM		432.00	-7.57	30.48	0.35	-30.48	-5.55		
AVERAGE		54.60	-0.95	3.81	0.04	-3.81	-0.69		
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
		N = 8.000		N = 8.000		N = 8.000		N = 8.000	
		A = 3.327		A = 0.050		A = 47.857		A = 47.857	
		B = 0.979		B = 0.795		B = 1.197		B = 1.197	
		R^2 = 0.911		R^2 = 0.976		R^2 = 0.993		R^2 = 0.993	

RPTD_FIT2.xls

28-Sep-17

The City of Scranton
PA Bureau of WC - Reported Claim Development Factors, Public Administration

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve: $Y = A \cdot (B^X)$ (Power Model)		Curve: $Y = 1 / (1 - \exp(-AX^B))$ (Weibull)		Curve: $Y = A \cdot (1/XY)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	X	LN(LN(Y))	LN(X)	Double Log [Y/(Y-1)]	LN(X)	LN(Y-1)	X	Y
18	1.067	18.00	-2.73	2.89	1.02	-2.89	-2.70	8.0	1.270
30	1.012	30.00	-4.45	3.40	1.50	-3.40	-4.46	20.0	1.048
42	1.006	42.00	-5.20	3.74	1.55	-3.74	-5.19	32.0	1.013
54	1.002	54.00	-6.48	3.99	1.87	-3.99	-6.48	44.0	1.004
66	1.001	66.00	-7.53	4.19	2.02	-4.19	-7.53	56.0	1.001
								68.0	1.000
								80.0	1.000
								92.0	1.000
								104.0	1.000
								116.0	1.000
								128.0	1.000
								140.0	1.000
								152.0	1.000
								164.0	1.000
								176.0	1.000
								188.0	1.000
								200.0	1.000
								212.0	1.000
								224.0	1.000
								236.0	1.000
SUM		210.00	-26.40	18.21	8.05	-18.21	-26.38		
AVERAGE		42.00	-5.28	3.64	1.61	-3.64	-5.27		
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES	
		N =	5.000	N =	5.000	N =	5.000		
		A =	1.344	A =	0.325	A =	2416.726		
		B =	0.908	B =	0.751	B =	3.587		
		R^2 =	0.987	R^2 =	0.989	R^2 =	0.980		

PCRB_CLAIM.xls

29-Sep-17

The City of Scranton
Weighted Average of PA Bureau of WC Incurred Loss Development Factors
City of Scranton WC Incurred Loss Development Factors

ANALYSIS OF DEVELOPMENT PATTERNS
USING THE METHOD OF LEAST SQUARES*

ACTUAL VALUES		Curve : $Y = A(B^X)$ (Power Model)		Curve : $Y = 1 / (1 - \exp(-AX^B))$ (Weibull)		Curve : $Y = A * (1/XY^B + 1)$ (Inverse Power Curve)		*** SELECTED ***	
X	Y	TRANSFORMED VALUES		TRANSFORMED VALUES		TRANSFORMED VALUES		FITTED VALUES	
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X	LN(LN(Y))	LN(X)	Double Log [Y/(Y-1)]	LN(1/X)	LN(Y-1)	X	Y
12	3.620	12.00	0.25	2.48	-1.13	-2.48	0.98	8.0	4.971
24	2.036	24.00	-0.34	3.18	-0.39	-3.18	0.04	20.0	2.326
36	1.648	36.00	-0.69	3.58	-0.07	-3.58	-0.43	32.0	1.755
48	1.426	48.00	-1.04	3.87	0.19	-3.87	-0.85	44.0	1.516
60	1.320	60.00	-1.28	4.09	0.35	-4.09	-1.14	56.0	1.387
72	1.292	72.00	-1.36	4.28	0.40	-4.28	-1.23	68.0	1.308
84	1.257	84.00	-1.48	4.43	0.46	-4.43	-1.36	80.0	1.252
96	1.217	96.00	-1.63	4.56	0.55	-4.56	-1.53	92.0	1.213
								104.0	1.184
								116.0	1.162
								128.0	1.144
								140.0	1.129
								152.0	1.117
								164.0	1.107
								176.0	1.098
								188.0	1.091
								200.0	1.084
								212.0	1.079
								224.0	1.074
								236.0	1.069
SUM		432.00	-7.57	30.48	0.35	-30.48	-5.55		
AVERAGE		54.00	-0.95	3.81	0.04	-3.81	-0.69		
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES			
		N = 8,000		N = 8,000		N = 8,000			
		A = 3.327		A = 0.050		A = 47.857			
		B = 0.979		B = 0.795		B = 1.197			
		R^2 = 0.911		R^2 = 0.976		R^2 = 0.993			

RPTD_FIT_CRITICAL.xls

28-Sep-17

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet I

Derivation of Large Loss Critical Values

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Period	Implied Trend Factor to 2018	Large Loss Definition	Maturity at 8/31/17 (months)	Reported Loss Development Factor	Reported Claim Development Factor	Large Loss Critical Reported Amount at 8/31/17
01/01/86-12/31/86	N/A	\$250,000	380	1.037	1.000	\$241,062
01/01/87-12/31/87	N/A	\$350,000	368	1.039	1.000	\$336,837
01/01/88-12/31/88	N/A	\$300,000	356	1.040	1.000	\$288,440
01/01/89-12/31/89	N/A	\$500,000	344	1.042	1.000	\$479,810
01/01/90-12/31/90	N/A	\$500,000	332	1.044	1.000	\$478,891
01/01/91-12/31/91	N/A	\$350,000	320	1.046	1.000	\$334,583
01/01/92-12/31/92	N/A	\$400,000	308	1.048	1.000	\$381,650
01/01/93-12/31/93	N/A	\$400,000	296	1.051	1.000	\$380,561
01/01/94-12/31/94	N/A	\$350,000	284	1.054	1.000	\$332,043
01/01/95-12/31/95	N/A	\$500,000	272	1.057	1.000	\$473,001
01/01/96-12/31/96	N/A	\$500,000	260	1.061	1.000	\$471,218
01/01/97-12/31/97	N/A	\$400,000	248	1.065	1.000	\$375,559
01/01/98-12/31/98	N/A	\$400,000	236	1.069	1.000	\$374,154
01/01/99-12/31/99	N/A	\$250,000	224	1.074	1.000	\$232,876
01/01/00-12/31/00	N/A	\$250,000	212	1.079	1.000	\$231,794
01/01/01-12/31/01	N/A	\$250,000	200	1.084	1.000	\$230,581
01/01/02-12/31/02	N/A*	\$300,000	188	1.091	1.000	\$275,055
01/01/03-12/31/03	N/A*	\$350,000	176	1.098	1.000	\$318,720
01/01/04-12/31/04	N/A*	\$400,000	164	1.107	1.000	\$361,402
01/01/05-12/31/05	N/A*	\$500,000	152	1.117	1.000	\$447,640
01/01/06-12/31/06	N/A	\$750,000	140	1.129	1.000	\$664,262
01/01/07-12/31/07	N/A	\$750,000	128	1.144	1.000	\$655,771
01/01/08-12/31/08	N/A	\$750,000	116	1.162	1.000	\$645,623
01/01/09-12/31/09	N/A	\$750,000	104	1.184	1.000	\$633,306
01/01/10-12/31/10	N/A	\$800,000	92	1.213	1.000	\$659,287
01/01/11-12/31/11	N/A	\$800,000	80	1.252	1.000	\$638,764
01/01/12-12/31/12	N/A	\$800,000	68	1.306	1.000	\$612,107
01/01/13-12/31/13	N/A	\$800,000	56	1.387	1.001	\$576,244
01/01/14-12/31/14	N/A	\$800,000	44	1.516	1.004	\$525,719
01/01/15-12/31/15	N/A	\$800,000	32	1.755	1.013	\$450,070
01/01/16-12/31/16	N/A	\$800,000	20	2.326	1.048	\$328,170
01/01/17-12/31/17	N/A	\$800,000	8	4.971	1.270	\$126,743

Note(*): retention increased from \$250,000 to \$300,000 effective 10/17/01, then to \$350,000 10/17/02, and then to \$400,000 effective 10/17/03. At 10/17/04, the SIR increased to \$500,000 and then \$1,500,000 from 10/17/05 to 12/1/05 and then decreased to \$750,000 through the 1/1/09 renewal.

Column (E): Appendix A, Sheet 11; runoff 1997 and prior

Column (F): Appendix A, Sheet 10

Column (G): Column (C) / Column (E) / Column (F)

**The City of Scranton
Workers' Compensation**

**APPENDIX B
Sheet 2**

**Summary of Critical Value Disability Losses
As of August 31, 2017**

(A) Date of Loss	(B) Named Insured	(C) Medical Paid	(D) Indemnity Paid	(E) Expense Paid	(F) Total Paid	(G) Outstanding Reserves	(H) Total Incurred	(I) Large Loss Critical Reported Amount
03/01/86-02/28/87								
03/01/86	SABLE	\$2,394	\$411,761	\$7,032	\$421,186	\$104,494	\$525,680	\$241,062
07/01/86	MC GEE	\$6,213	\$441,970	\$21,743	\$469,926	\$28,868	\$498,794	\$241,062
01/09/87	HOBAN	\$48,817	\$413,963	\$50,038	\$512,818	\$0	\$512,818	\$336,837
	3 Claims				\$1,403,930	\$133,361	\$1,537,291	
03/01/87-02/28/88								
08/04/87	KERRIGAN	\$175,517	\$433,507	\$20,454	\$629,478	\$33,696	\$663,174	\$336,837
08/09/87	ROSS III	\$8,996	\$368,392	\$2,022	\$379,410	\$0	\$379,410	\$336,837
08/15/87	NOVAK	\$15,304	\$371,897	\$15,027	\$402,228	\$0	\$402,228	\$336,837
09/01/87	GENOVESE	\$166,035	\$484,785	\$23,011	\$673,831	\$0	\$673,831	\$336,837
	4 Claims				\$2,084,948	\$33,696	\$2,118,643	
03/01/88-02/28/89								
05/06/88	MCGOWAN	\$17,515	\$516,250	\$15,655	\$549,421	\$159,075	\$708,496	\$288,440
07/14/88	TASSEY	\$3,990	\$272,427	\$3,038	\$279,455	\$122,830	\$402,284	\$288,440
07/17/88	RESCIGNO	\$0	\$204,609	\$3,372	\$207,980	\$350,539	\$558,520	\$288,440
08/13/88	MCHALE	\$31,714	\$300,486	\$23,443	\$355,642	\$0	\$355,642	\$288,440
01/14/89	HOFFMAN	\$32,152	\$585,569	\$17,874	\$635,596	\$61,682	\$697,277	\$479,810
	5 Claims				\$2,028,093	\$694,126	\$2,722,219	
03/01/89-02/28/90								
02/16/90	ABDA	\$4,805	\$463,661	\$1,960	\$470,426	\$33,944	\$504,370	\$478,891
	1 Claim				\$470,426	\$33,944	\$504,370	
03/01/90-02/28/91								
06/26/90	JONES	\$0	\$524,626	\$12,696	\$537,322	\$338,441	\$875,763	\$478,891
12/30/90	BENTLER	\$68,963	\$444,566	\$31,393	\$553,661	\$42,632	\$596,293	"Pappy
	2 Claims				\$1,090,983	\$381,073	\$1,472,056	Plan"

LgLosses.xls

29-Sep-17

Gary R. Abramson, Casualty Actuarial Services

**The City of Scranton
Workers' Compensation**

**APPENDIX B
Sheet 3**

**Summary of Critical Value Disability Losses
As of August 31, 2017**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/91-02/28/92								
05/06/91	PRICE	\$23,868	\$351,781	\$1,956	\$377,605	\$65,003	\$442,608	\$334,583
07/19/91	WHALEN	\$138,044	\$295,115	\$18,444	\$451,602	\$0	\$451,602	\$334,583
07/24/91	MALINOWSKI	\$58,856	\$485,887	\$46,455	\$591,199	\$134,867	\$726,066	\$334,583
08/01/91	PETRINI	\$1,720	\$423,075	\$5,897	\$430,692	\$40,344	\$471,036	\$334,583
08/21/91	HARVEY	\$119,714	\$322,891	\$58,992	\$501,597	\$0	\$501,597	\$334,583
09/08/91	HUBSHMAN	\$13,294	\$398,781	\$61,227	\$473,302	\$0	\$473,302	\$334,583
11/05/91	SEYMOUR	\$96,312	\$529,560	\$21,388	\$647,260	\$93,845	\$741,105	\$334,583
02/07/92	BIDWELL	\$0	\$395,914	\$9,218	\$405,133	\$0	\$405,133	\$381,650
	8 Claims				\$3,878,390	\$334,059	\$4,212,448	
03/01/92-02/28/93								
08/02/92	DAVIS, B.	\$123,164	\$381,864	\$38,082	\$543,111	\$0	\$543,111	\$381,650
08/26/92	GRISKO	\$72,744	\$535,788	\$31,161	\$639,692	\$74,077	\$713,769	\$381,650
10/14/92	MONAHAN	\$34,940	\$644,818	\$80,507	\$760,265	\$34,651	\$794,916	\$381,650
11/29/92	DAVIS, Wm.	\$90,017	\$403,035	\$58,560	\$551,613	\$0	\$551,613	\$381,650
	4 Claims				\$2,494,680	\$108,728	\$2,603,408	
03/01/93-02/28/94								
03/04/93	POWELL	\$132,728	\$632,534	\$92,497	\$857,759	\$49,710	\$907,469	\$380,561
04/15/93	CONLON	\$77,228	\$584,473	\$19,034	\$680,735	\$29,221	\$709,956	\$380,561
05/02/93	WASYLYNIAK	\$59,871	\$470,649	\$27,214	\$557,734	\$0	\$557,734	\$380,561
05/14/93	JEFFERS	\$31,885	\$319,155	\$36,513	\$387,553	\$0	\$387,553	\$380,561
06/22/93	PALUTIS	\$76,477	\$390,796	\$48,169	\$515,442	\$0	\$515,442	\$380,561
07/08/93	ARMFIELD	\$11,005	\$588,113	\$16,879	\$615,997	\$61,749	\$677,746	\$380,561
07/24/93	CAWLEY	\$34,655	\$345,596	\$42,994	\$423,245	\$0	\$423,245	\$380,561
08/11/93	DAFFARO	\$49,843	\$510,050	\$3,881	\$563,774	\$46,531	\$610,305	\$380,561
01/19/94	BURRIER	\$59,239	\$255,436	\$31,406	\$346,081	\$0	\$346,081	\$332,043
	9 Claims				\$4,948,319	\$187,212	\$5,135,530	

LgLosses.xls

29-Sep-17

Gary R. Abramson, Casualty Actuarial Services

**The City of Scranton
Workers' Compensation**

**APPENDIX B
Sheet 4**

**Summary of Critical Value Disability Losses
As of August 31, 2017**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/95-02/28/98								
07/20/95	MCGINNIS	\$91,758	\$494,797	\$40,216	\$626,771	\$0	\$626,771	\$473,001
08/23/95	DERMODY	\$10,151	\$625,434	\$70,983	\$706,569	\$39,350	\$745,918	\$473,001
09/18/95	ANDREJACK	\$44,326	\$363,700	\$51,958	\$459,985	\$19,843	\$479,828	\$473,001
12/07/95	HINKLEY	\$61,862	\$362,619	\$55,955	\$480,436	\$0	\$480,436	\$473,001
01/05/96	DUDZINSKI	\$58,294	\$543,209	\$51,970	\$657,359	\$32,527	\$689,885	\$471,218
	5 Claims				\$2,931,119	\$91,720	\$3,022,839	
03/01/96-02/28/97								
07/24/96	DOYLE	\$586	\$476,513	\$12,317	\$489,415	\$407,252	\$896,668	\$471,218
09/04/96	MUSSO	\$187,212	\$154,800	\$47,535	\$389,547	\$146,425	\$535,971	
	2 Claims				\$878,962	\$553,677	\$1,432,639	
03/01/97-02/28/98								
06/09/97	MATTICKS	\$62,307	\$275,891	\$57,074	\$395,272	\$0	\$395,272	\$375,559
	1 Claim				\$395,272	\$0	\$395,272	
03/01/99-02/28/00								
04/06/99	OTTONE	\$24,493	\$227,517	\$33,777	\$285,787	\$0	\$285,787	\$232,876
05/10/99	KLEE	\$15,904	\$209,899	\$22,015	\$247,818	\$0	\$247,818	\$232,876
01/26/00	MARTIN	\$272,273	\$89,236	\$47,084	\$408,593	\$0	\$408,593	\$231,794
	3 Claims				\$942,198	\$0	\$942,198	
03/01/00-02/28/01								
06/09/00	MEDALLIS	\$103,100	\$148,552	\$30,040	\$281,692	\$0	\$281,692	\$231,794
07/13/00	WAZNAK	\$224,469	\$220,048	\$43,165	\$487,682	\$0	\$487,682	\$231,794
02/17/01	BATYKO	\$44,640	\$156,846	\$37,558	\$239,044	\$0	\$239,044	\$230,581
	3 Claims				\$1,008,418	\$0	\$1,008,418	

LgLosses.xls

29-Sep-17

Gary R. Abramson, Casualty Actuarial Services

**The City of Scranton
Workers' Compensation**

**APPENDIX B
Sheet 5**

**Summary of Critical Value Disability Losses
As of August 31, 2017**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/01-02/28/02								
08/10/01	LANNING	\$56,527	\$219,620	\$25,557	\$301,704	\$0	\$301,704	\$230,581
08/23/01	GALELLA	\$44,321	\$184,415	\$27,920	\$256,656	\$0	\$256,656	\$230,581
02/11/02	MACKIN	\$46,164	\$221,969	\$22,969	\$291,102	\$0	\$291,102	\$275,055
02/20/02	OZOVEK	\$143,954	\$268,672	\$30,331	\$442,957	\$0	\$442,957	\$275,055
	4 Claims	(2 post 10/17/01 SIR)			\$1,292,419	\$0	\$1,292,419	
03/01/02-02/28/03								
04/15/02	FARGIONE	\$126,603	\$304,542	\$27,010	\$463,519	\$0	\$463,519	\$275,055
06/12/02	GISOLFI	\$144,865	\$294,596	\$45,856	\$485,317	\$0	\$485,317	\$275,055
07/21/02	ROSAR, J.	\$79,913	\$308,354	\$44,915	\$433,182	\$0	\$433,182	\$275,055
07/25/02	BOEZI	\$192,537	\$223,981	\$70,584	\$487,102	\$12,218	\$499,320	\$275,055
09/24/02	PIAZZA	\$43,922	\$207,269	\$26,289	\$277,480	\$0	\$277,480	\$275,055
	5 Claims	(all pre 10/17/02)			\$2,146,600	\$12,218	\$2,158,818	
03/01/03-02/28/04								
11/25/03	MALONE	\$4,886	\$274,414	\$8,325	\$287,625	\$400,478	\$688,103	\$364,251
	1 Claim	(1 post 10/16/03 SIR)			\$287,625	\$400,478	\$688,103	
03/01/04-02/28/05								
06/24/04	EIBACH	\$155,654	\$284,209	\$58,192	\$498,055	\$0	\$498,055	\$361,402
09/19/04	McINTYRE	\$149,519	\$236,458	\$20,023	\$417,202	\$0	\$417,202	\$361,402
	2 Claims	(pre 10/17/04)			\$915,257	\$0	\$915,257	
03/01/06-02/28/07								
09/12/06	SVETOVICH	\$159,914	\$269,875	\$93,835	\$523,624	\$147,289	\$670,913	\$664,262
	1 Claim				\$523,624	\$147,289	\$670,913	
03/01/15-02/28/16								
07/11/15	WILDING	\$93,143	\$105,833	\$4,540	\$203,515	\$1,748,099	\$1,951,614	\$450,070
11/28/15	PIERSON	\$334,354	\$53,816	\$7,530	\$395,700	\$114,315	\$510,015	\$450,070
	2 Claims				\$599,216		\$2,461,629	

LgLosses.xls

29-Sep-17

Gary R. Abramson, Casualty Actuarial Services

The City of Scranton
Workers' Compensation

APPENDIX C

Derivation of Discount Factors as of 8/31/17

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		Cumulative			% Losses		
Accident	Maturity	Paid Loss	% Losses	Midpoint	Paid		
Period	in Years	Development	Paid	Upcoming	Upcoming	Column(F)	Discount
	at 8/31/17	Factor	at 8/31/17	Period	Period	Discounted	Factor
2017/2018	0.50	20.231	4.9%	1.0	10.4%	0.102	0.774
2016/2017	1.50	6.504	15.4%	2.0	9.2%	0.087	0.769
2015/2016	2.50	4.076	24.5%	3.0	7.8%	0.071	0.763
2014/2015	3.50	3.097	32.3%	4.0	6.5%	0.059	0.757
2013/2014	4.50	2.575	38.8%	5.0	5.6%	0.048	0.753
2012/2013	5.50	2.253	44.4%	6.0	4.7%	0.040	0.750
2011/2012	6.50	2.036	49.1%	7.0	4.1%	0.034	0.748
2010/2011	7.50	1.880	53.2%	8.0	3.5%	0.028	0.747
2009/2010	8.50	1.763	56.7%	9.5	5.8%	0.045	0.747
	10.50	1.600	62.5%	11.5	4.5%	0.033	0.752
	12.50	1.492	67.0%	13.5	3.6%	0.025	0.762
	14.50	1.416	70.6%	15.5	3.0%	0.019	0.777
	16.50	1.359	73.6%	17.5	2.5%	0.015	0.798
	18.50	1.315	76.0%	19.5	2.7%	0.016	0.823
	20.50		78.8%	21.5	3.0%	0.017	0.849
	22.50		81.7%	23.5	3.3%	0.017	0.875
	24.50		85.0%	25.5	3.6%	0.018	0.901
	26.50		88.6%	27.5	4.0%	0.019	0.927
	28.50		92.6%	29.5	4.4%	0.020	0.952
	30.50		96.9%	31.5	3.1%	0.013	0.973
ULT	32.50	1.000	100.0%				

Annual Interest Rate: 2.75%

Column(C): Appendix A, Sheet 4

Column(D): 1 / Column (C)

Column(E): [Column (B), current line + Column (B), next line] / 2

Column(F): Column (D), next line - Column (D), current line

with runoff after 19 years based upon an annual increase of 10% over prior period

Column(G): $\text{Column(F)} \times [1 \div \text{Interest Rate}]^n - \text{Column(E)}$

Column(H): $[1 + \text{Interest Rate}]^n [\text{Column(B)}] / [1 - \text{Column(D)}] \times [\text{Upward Sum, Column(G)}]$

DFAX.XLS

29-Sep-17



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

October 31, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED


NOV - 2 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE APPROPRIATING FUNDS FOR THE
EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING
ON THE FIRST DAY OF JANUARY, 2018 TO AND INCLUDING DECEMBER 31,
2018 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR
THE YEAR 2018.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A TRAIL MAINTENANCE AGREEMENT BETWEEN THE CITY OF SCRANTON AND LACKAWANNA HERITAGE VALLEY AUTHORITY FOR THE MAINTENANCE AND UPKEEP OF THE LACKAWANNA RIVER HERITAGE TRAIL (THE "TRAIL").

WHEREAS, the Lackawanna Heritage Valley Authority (the "Authority") in furtherance of its mission under the Plan for the Lackawanna Heritage Valley desires to enter into a Trail Maintenance Agreement ("Agreement") with the City of Scranton ("City") in connection with the maintenance and upkeep of the Lackawanna River Heritage Trail (the "Trail"), a copy of the Agreement is marked as Exhibit "A", attached hereto and incorporated herein by reference thereto; and

WHEREAS, the Authority is developing the Trail throughout the Lackawanna Valley, Certain sections of the Trail have been completed and other sections are under construction in various municipalities of the Lackawanna Valley; and

WHEREAS, the Authority performs all required maintenance service on the Trail. The Authority receives funds from the various municipalities in which the Trail traverses for the maintenance and upkeep costs associated with the Trail; and

WHEREAS, the yearly maintenance costs associated with the Trail total the sum of Four Thousand Two Hundred (\$4,200.00) Dollars per Trail mile and are due from each municipality to the Authority; and

WHEREAS, presently there is a two and a half (2.5) mile section of Trail within the boundaries of the City. The Trail maintenance costs due from the City to the Authority total the sum of Ten thousand Five Hundred (\$10,500.00) Dollars annually for this 2.5 mile Trail section; and

WHEREAS, this Agreement shall be effective from the date of execution by the City and remain in full force and effect for a five (5) year period. During the five (5) year term of this Agreement the Four Thousand Two Hundred (\$4,200.00) Dollars per mile rate for maintenance fees will only change in the event additional miles are added to the trail section within the City of Scranton boundaries.

NOW, THEREFORE, BE IT ORDINED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City officials are authorized to execute and enter into the Trail Maintenance Agreement between the City of Scranton and Lackawanna Heritage Valley Authority for the maintenance and upkeep of the Lackawanna River Heritage Trail, which Agreement is attached hereto marked as Exhibit "A" and incorporated herein by reference thereto.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

TRAIL MAINTENANCE AGREEMENT

between the

LACKAWANNA HERITAGE VALLEY AUTHORITY

and

THE CITY OF SCRANTON

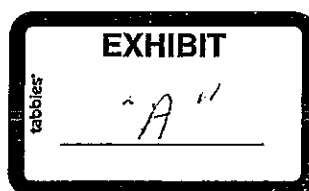
Whereas, The Lackawanna Heritage Valley Authority (the "Authority") in furtherance of its mission under the Plan for the Lackawanna Heritage Valley desires to enter into a Trail Maintenance Agreement ("Agreement") with the City of Scranton, ("City") in connection with the maintenance and upkeep of the Lackawanna River Heritage Trail (the "Trail") and;

Whereas, The Authority is developing the Trail throughout the Lackawanna Valley. Certain sections of the Trail are completed while other sections are presently under construction in the various municipalities of the Lackawanna Valley and;

Whereas, The Authority performs all required maintenance service on the Trail. The Authority receives funds from the various municipalities in which the Trail traverses for the maintenance and upkeep costs associated with the Trail and;

Whereas, The yearly maintenance costs associated with the Trail total the sum of Four Thousand Two Hundred Dollars (\$4,200.00) per Trail mile and are due from each municipality to the Authority and;

Whereas, Presently there is a two and a half (2.5) mile section of Trail within the boundaries of the City. The Trail maintenance costs due from the City to the Authority total the sum of Ten Thousand Five Hundred Dollars (\$10,500.00) annually for this 2.5 mile Trail section and;



Now Therefore, the Authority and the City desire to enter into this Trail Maintenance Agreement for the general maintenance and upkeep of the Lackawanna River Heritage Trail.

A. Annual Payment per Trail Mile

The City agrees to pay to the Authority an annual Trail maintenance fee at the rate of Four Thousand Two Hundred Dollars per Trail mile. Presently there exists two and a half (2.5) miles of Trail section located within the City's boundaries. Said 2.5 miles of Trail equates to the yearly maintenance fee payment of Ten Thousand Five Hundred Dollars (\$10,500.00). Payment is immediately due for calendar year 2017 and the remaining four (4) payments shall be remitted on or before March 30th of each year.

B. Trail Maintenance Services

The maintenance services performed on the Trail will include, but not be limited to, grass cutting, minor weeding, weed control, tree trimming, mulching, Trail edging, surface grading and trash removal. In addition to the above, periodic litter cleanups, Trail improvements, repairs and resurfacing will be performed on the Trail.

C. Term of Agreement

This Agreement shall be effective from the date of execution by the City and remain in full force and effect for a five (5) year period. During the five year term of this Agreement the Four Thousand Two Hundred Dollar per mile rate for maintenance fees will only change in the event additional miles are added to the trail section within the City of Scranton boundaries.

D. Entire Agreement

This Agreement constitutes the entire agreement between the Authority and the City and there are no other understandings, oral or written, relating to the subject matter hereof.

E. Amendment

This Agreement shall not be amended or altered except by a written agreement duly approved and signed by both the Authority and the City.

F. Governing Law

This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Agreement this _____
day of _____, 2017.

ATTEST:

LACKAWANNA HERITAGE VALLEY AUTHORITY

Thom Welby
Secretary

By: _____
Dominic Keating
Chairman

CITY OF SCRANTON

By: _____
Mayor
Date: _____

ATTEST:

By: _____
City Clerk
Date: _____

APPROVED AS TO FORM:

By: _____
City Solicitor
Date: _____

By: _____
City Controller
Date: _____



Trail Management Committee

TO: Attn: David Bulzoni
City of Scranton
Business Administrator
340 North Washington Ave
Scranton PA 18503

DATE: 30-Mar-17

INVOICE #: TMC-17-01

PAYABLE TO: Lackawanna Heritage Valley Authority
Trail Management Committee
231 South 7th Avenue
Scranton PA 18505

FOR: Cash Contributions for "Routine" Trail Maintenance \$ 10,500.00
2.50 miles Calendar Year 2017

TOTAL AMOUNT DUE: \$ 10,500.00

Lackawanna Heritage Valley National and State Heritage Area
213 South 7th Avenue, Scranton, PA 18505
Telephone: (570) 963-6730 • Fax: (570) 963-6732
www.LHVA.org



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 2, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV - 2 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A TRAIL MAINTENANCE AGREEMENT BETWEEN THE CITY OF SCRANTON AND LACKAWANNA HERITAGE VALLEY AUTHORITY FOR THE MAINTENANCE AND UPKEEP OF THE LACKAWANNA RIVER HERITAGE TRAIL (THE "TRAIL").

Respectfully,

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE THE DEED CONVEYING TITLE FROM THE CITY OF SCRANTON PARKING AUTHORITY TO THE CITY OF SCRANTON, THE PROPERTY LOCATED AT 100 REAR SOUTH WASHINGTON AVENUE, SCRANTON PENNSYLVANIA TO THE CITY OF SCRANTON, AS MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

WHEREAS, the Board of the Scranton Parking Authority passed a Resolution to grant to the Scranton Police Department the property located at 100 Rear South Washington Avenue; and

WHEREAS, this Deed, by and between the City of Scranton Parking Authority, (hereinafter referred to as the "GRANTOR"), and the City of Scranton, (hereinafter referred to as the "GRANTEE"), in consideration for the sum of One and 00/100 (\$1.00) Dollar, grants and conveys to Grantee, its Agents, and Assigns, all that certain piece or parcel of land situate in the City of Scranton, County of Lackawanna and Commonwealth of Pennsylvania, as more fully described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the City uses this parcel of property as existing additional parking for the Scranton Police Department.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City officials are hereby authorized to execute the Deed conveying title from the City of Scranton Parking Authority to the City of Scranton the property located at 100 Rear South Washington Avenue, Scranton, Pennsylvania as more fully described in Exhibit "A" attached hereto and made a part hereof.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

Prepared by :
JOHN P. RODGERS, ESQUIRE
Wetzel Phillips Rodgers & Falcone
1170 Highway 315, Suite 1
Plains, PA 18702
(570) 823-0101

File No.:
Parcel ID No. part of 15607-010-00101

This Indenture, made the _____ day of _____, 2017,

Between

THE PARKING AUTHORITY OF THE CITY OF SCRANTON, a Municipal corporation, with offices located in Scranton, Lackawanna County, Pennsylvania,

(hereinafter called the Grantor), of the one part, and

THE CITY OF SCRANTON, a Municipal entity, duly organized and existing under the laws of the Commonwealth of Pennsylvania, with offices located in Scranton, Lackawanna County, Pennsylvania,

(hereinafter called the Grantee), of the other part,

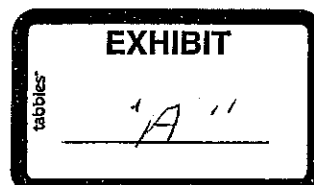
Witnesseth, that the said Grantor for and in consideration of the sum of **ONE and 00/100 DOLLAR (\$1.00)** lawful money of the United States of America, unto it well and truly paid by the said Grantee, at or before the sealing and delivery hereof, the receipt whereof is hereby acknowledged, has granted, bargained and sold, released and confirmed, and by these presents does grant, bargain and sell, release and confirm unto the said Grantee

ALL of that certain lot, piece or parcel of land situate in the City of Scranton, County of Lackawanna and Commonwealth of Pennsylvania, bounded and described as follows:

BEGINNING at a point located along the south westerly right of way of South Washington Avenue; said point of beginning being further identified as being a common corner of lands of the Scranton Parking Authority with lands of the United States Government, The National Park Service, (Park Service);

THENCE leaving the right of way of said South Washington Avenue and along the division line between said Scranton Parking Authority and said Park Service the following three (3) courses and distances:

- (1) N 42° 41' 10" W 400.00'
- (2) N 35° 29' 10" W 730.00' and
- (3) N 41° 59' 10" W 85.00' to a point;



THENCE still along line of said Park Service and along a 25 ft. wide right of way now or formerly of Conrail the following three (3) courses and distances:

- (1) S 43° 42' 40" E 619.96'
- (2) S 52° 15' 10" E 165.00' and
- (3) S 56° 37' 55" E 439.63' to a point along the aforementioned south western right of way of South Washington Avenue;

THENCE along said right of way S 47° 18' 50" W 237.00' to the place of BEGINNING.

CONTAINING 2.69 acres of land as shown on drawing entitled "Lands to be conveyed to the City of Scranton" by John R. Hennemuth Associates, Inc.

Property Identification Number: part of 15607-010-00101

BEING part of the same premises conveyed to The Parking Authority of the City of Scranton by Quitclaim Deed of Thomas F. Patton and Ralph S. Tyler, Jr., Trustees of the Property of Erie Lackawanna Railway Company, dated March 14, 1978 and recorded March 30, 1978, in the Office for Recorder of Deeds in and for Lackawanna County, in Deed Book Volume 938, Page 792.

This Deed has been previously accepted by virtue of enactment of a Resolution of the Board of the Parking Authority of the City of Scranton, Pennsylvania. A copy of said Resolution is attached hereto.

HAZARDOUS WASTE IS NEITHER BEING PRESENTLY DISPOSED OF NOR HAS EVER BEEN DISPOSED OF BY THE GRANTOR HEREIN NOR DOES THE GRANTOR HEREIN HAVE ANY ACTUAL KNOWLEDGE THAT HAZARDOUS WASTE HAS BEEN DISPOSED OF ON THE PREMISES HEREIN.

THIS DOCUMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT.

Together with all and singular the buildings and improvements, ways, streets, alleys, driveways, passages, waters, water-courses, rights, liberties, privileges, hereditaments and appurtenances, whatsoever unto the hereby granted premises belonging, or in anywise appertaining, and the reversions and remainders, rents, issues, and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of him, the said grantor, as well at law as in equity, of, in and to the same.

To have and to hold the said lot or piece of ground described above, with the buildings and improvements thereon erected, hereditaments and premises hereby granted, or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee, its successors and assigns, forever.

And the said Grantor, for itself and its successors, does, by these presents, covenant, grant and agree, to and with the said Grantee, its successors and assigns, that it, the said Grantor, and its successors and assigns, all and singular the hereditaments and premises herein described and granted, or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, against it, the said Grantor, and its successors and assigns, will *SPECIALLY* warrant and defend against the lawful claims of all persons claiming by, through or under the said Grantor but not otherwise.

In Witness Whereof, the party of the first part has caused its common and corporate seal to be affixed to these presents by the hand of its President, and the same to be duly attested by its Secretary. Dated the day and year first above written.

Sealed and Delivered
IN THE PRESENCE OF:

**THE PARKING AUTHORITY OF THE CITY OF
SCRANTON**

_____ By: _____ {SEAL}

Commonwealth of Pennsylvania } ss
County of Lackawanna

AND NOW, this ____ day of _____, 2017, before me, the undersigned Notary Public, appeared _____, who acknowledged himself/herself to be the _____ of **THE PARKING AUTHORITY OF THE CITY OF SCRANTON, PENNSYLVANIA**, a Pennsylvania Municipal corporation, and he/she, as such _____ being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the company by himself/herself as _____.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
My commission expires _____

The address of the above-named Grantee is:

On behalf of the Grantee

RESOLUTION OF THE BOARD OF THE PARKING AUTHORITY OF THE CITY OF SCRANTON,
PENNSYLVANIA

A RESOLUTION OF THE PARKING AUTHORITY OF THE CITY OF SCRANTON, PENNSYLVANIA ("AUTHORITY") APPROVING AND AUTHORIZING EXCLUSIVE USE BY THE SCRANTON POLICE DEPARTMENT OF THE OPEN AIR PARKING FACILITY OWNED BY THE AUTHORITY, LOCATED AT 100 REAR NORTH WASHINGTON AVENUE, SCRANTON PENNSYLVANIA; AND FURTHER APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AUTHORITY TRANSFER OWNERSHIP OF SUCH OPEN AIR PARKING FACILITY ACCORDING TO THE TERMS OF THE INDENTURE.

WHEREAS, The Parking Authority of the City of Scranton (the "Authority") is a public body corporate and politic and a parking authority of the Commonwealth of Pennsylvania duly established and existing under Chapter 55 of Title 53 of the Pennsylvania Consolidated Statutes (the "Act"); and

WHEREAS, pursuant to Section 5505 of the Act, the Authority has the power to borrow money and to make and issue bonds and to acquire, purchase, hold lease as lessee and use any property and any property interest necessary or desirable for carrying out the purpose of the Authority, and

WHEREAS, the Authority did authorize and issue bonds under various supplemental trust indentures amending and supplementing a Trust Indenture, dated as of April 1, 1969 (as amended, referred to herein as the "Indenture"); and

WHEREAS, the Authority owns and leases certain parking facilities (the "Facilities") to the City of Scranton, Pennsylvania, pursuant to a Lease dated as of April 1, 1969 (as amended, referred to herein as the "Lease"); and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to explore the potential concession lease or sale of the on-street and off-street parking systems of the City of Scranton, Pennsylvania (collectively, the "Parking System") with the general goal of satisfying the outstanding indebtedness of the Authority under that certain Loan, Pledge and Security Agreement among the Authority, the City of Scranton, Pennsylvania, and Landmark Community Bank, Pittston, Pennsylvania, issued in the aggregate principal amount of \$3,828,480.78 (the "Landmark Note"), and the following bonds issued and currently outstanding under the Trust Indenture dated as of April 1, 1969, as supplemented and amended (the "Indenture"), between the Authority and UMB Bank, N.A., as successor trustee: the Guaranteed Revenue Bonds, Series of 2004, issued by the Authority in the original principal amount of \$16,154,000 (the "2004 Bonds"); the Guaranteed Revenue Bonds, Series of 2006, issued by the Authority in the original principal amount of \$5,695,000 (the "2006 Bonds") and the Guaranteed Revenue Bonds, Series of 2007, issued by the Authority in the original principal amount of \$32,295,000 (the "2007 bonds," and collectively with the 2004 Bonds and the 2006 Bonds referred to herein as the "Bonds"); and

WHEREAS, the Indenture prohibits the sale, disposition or encumbrance of the off-street components of the Parking System except in compliance with the terms of the Indenture; and

WHEREAS, the Board of the Authority desires to grant to the Scranton Police Department the exclusive right to use the open air parking facility located on South Washington Avenue (the "Open Air Facility") unless and until further action by the Authority restricts such exclusive use; and

WHEREAS, the Board of the Authority has determined that the Open Air Facility will not be included in any concession lease or sale of the Parking System, and desires and authorizes the Executive Director to transfer ownership of the Open Air Facility to the Scranton Parking Authority pursuant to the terms of the Indenture on or before the date such concession lease or sale of the Parking System shall occur.

T.A.P.

NOW, THEREFORE, the Board of the Authority, ~~located at 100 Rear North Washington Street~~
~~Scranton, Pennsylvania~~, hereby resolves as follows:

3. Subject to compliance with the terms of the Indenture, the Authority hereby grants to the Scranton Police Department the exclusive right to use the Open Air Facility unless and until further action by the Authority restricts such exclusive use.

4. Subject to compliance with the terms of the Indenture, the Authority hereby authorizes and directs the Executive Director to transfer ownership of the Open Air Facility to the Scranton Police Department at the earliest practicable date.

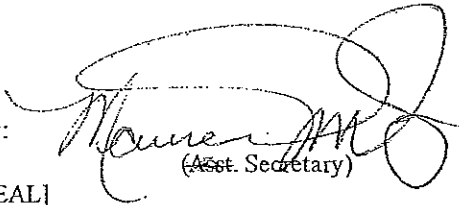
5. This Resolution is to take effect immediately. All resolutions or parts of resolutions inconsistent herewith be and the same hereby are rescinded, canceled and annulled.

Adopted by at least a majority of the Board of the Authority this the 18th day of February, 2015.

ATTEST

THE PARKING AUTHORITY OF THE CITY OF
SCRANTON, PENNSYLVANIA

By:



(Asst. Secretary)

[SEAL]

By:



Title:

Chairman



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 2, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV - 2 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE THE DEED
CONVEYING TITLE FROM THE CITY OF SCRANTON PARKING AUTHORITY
TO THE CITY OF SCRANTON, THE PROPERTY LOCATED AT 100 REAR
SOUTH WASHINGTON AVENUE, SCRANTON PENNSYLVANIA TO THE CITY
OF SCRANTON, AS MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED
HERETO AND MADE A PART HEREOF.

Respectfully,

Jessica L. Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2017

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AN ADDENDUM TO THE CONTRACT BETWEEN THE CITY OF SCRANTON AND CC CLEANING SERVICES FOR JANITORIAL SERVICES FOR SCRANTON CITY HALL AND THE SCRANTON POLICE HEADQUARTERS.

WHEREAS, on September 29, 2017 City Council passed Resolution No. 191, 2017 authorizing the City to enter into a contract with CC Cleaning Services for Janitorial Services for Scranton City Hall and the Scranton Police Headquarters; and

WHEREAS, the parties wish to enter into an Addendum to the Contract in order to clarify certain terms and conditions of the Contract. A copy of the Addendum is attached hereto marked as Exhibit "A" and incorporated herein by reference hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City officials are authorized to execute and enter into this Addendum to the contract with CC Cleaning Services for Janitorial Services for Scranton City Hall and the Scranton Police Headquarters.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

**Addendum "A" to Contract between the City of Scranton ("City")
and CC Cleaning Services ("Contractor")**

1. Default.

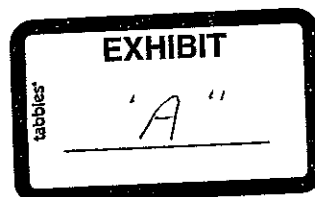
In the event of any default by the City of any of the terms of this Agreement, the Contractor shall provide written notice to the City of the default. The City shall have fifteen (15) days to cure any noticed default. If the City fails to cure the default within the allotted fifteen (15) days, the Contractor shall have the option of either continuing to perform the services which are required of Contractor under the agreement or the Contractor may terminate the Agreement. If the Contractor indicates that it is terminating the agreement, it shall do so by providing the City with notice in writing with its decision to terminate the Agreement which will take effect fifteen (15) days after the date of the notice to terminate. During this additional fifteen (15) day period, the City shall be allowed to cure the default.

2. Payment.

The City agrees to pay Contractor in monthly installments for the duration of this Agreement. Payments shall be made upon receipt of invoices submitted by the Contractor. Payments will be considered timely if made by the City within thirty (30) days of receipt of each invoice.

3. Miscellaneous.

If at any point during the term of this Agreement, the City decides to open for bid either all or part of the services that are the subject of this Agreement for bidding for the year following the expiration of this Agreement, the City agrees to provide Contractor with notice of the same. This provision would only provide Contractor with notice. Nothing contained herein shall waive any portion of any bid requirements that the City may require should such an event take place.





DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 2, 2017

RECEIVED

NOV - 2 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AN
ADDENDUM TO THE CONTRACT BETWEEN THE CITY OF SCRANTON AND
CC CLEANING SERVICES FOR JANITORIAL SERVICES FOR SCRANTON CITY
HALL AND THE SCRANTON POLICE HEADQUARTERS.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A LEASE AGREEMENT WITH GAR MEMORIAL ASSOCIATION ("GAR") TO EXTEND THEIR CURRENT LEASE WHICH IS SET TO EXPIRE ON NOVEMBER 28, 2017 FOR AN ADDITIONAL YEAR FOR A PORTION OF THE BASEMENT OF CITY HALL TO BE USED AS EXHIBIT AND MEETING SPACE.

WHEREAS, on November 28, 2007, Scranton City Council approved File of the Council No. 141, 2007 authorizing a Lease Agreement between the City and GAR for a portion of the basement of City Hall for a period of ten (10) years; and

WHEREAS, the current Lease Agreement will expire on November 28, 2017. The GAR has requested an extension to the Lease to continue operation of the GAR Civil War Museum; and

WHEREAS, by letter dated September 27, 2017, Scranton City Council has expressed their support of the request.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that a portion of the basement of City Hall is hereby leased to the GAR for an additional period of one (1) year from November 28, 2017 through November 27, 2018 for the consideration of one (\$1.00) dollar. That portion of the basement is more particularly described as those rooms on the easterly side of the building, from the dividing wall at the elevator forward to the alleyway, which spaces housed the former police desk, and the former detective's offices, including the offices connected thereto. The terms of this Agreement are to be substantially in the form of the terms as set forth on the attached Agreement.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

LEASE AGREEMENT

This Lease Agreement (the "Lease") is by and between the G.A.R. Memorial Association ("GAR"), a Pennsylvania non-profit corporation and the City of Scranton (the "City").

The Lease pertains to a portion of the basement of City Hall formerly occupied by GAR. The Premises does not include the area of the basement from the elevator wall to the North Washington end of the building, containing the former evidence rooms, crime labs, and cell areas.

The purpose of the Lease is to provide space to the GAR for its museum and meeting needs. The GAR will provide museum and research opportunities to the public from the Premises.

The museum will be open when the GAR is able to staff same, approximately once a month. The times of operation will coincide with the business hours of City Hall.

In addition to the premises during regular City business hours, the City will provide the G.A.R. access to the leased premises on monthly meeting nights from 7 – 9 P.M. and on special occasions for the museum to be open to the general public. Both monthly meetings and any special occasions must be identified and cleared with the City in advance to properly provide for such access.

The term of the Lease is one (1) year. The consideration for the Lease is one (\$1.00) dollar.

The GAR will clean and repair the walls and floors in the Premises and will be responsible for routine maintenance as the same becomes necessary. The GAR will provide all furnishings necessary to undertake its mission in the Premises.

The museum will consist of books, uniforms, and weaponry from the Civil War. This collection will be cared for by the GAR exclusively. The City has no responsibility whatsoever with regard to the care, storage, and protection of this collection. By way of example, the City is not obligated to provide a climate controlled environment for the collection. The same heating and air conditioning provided to City Hall, which currently services the Premises, will continue with no particular or special alteration for the GAR.

The City will provide no special security to the GAR in the Premises. The GAR will provide all the security and protection needed to protect its collection. By way of example, the GAR has, and maintains insurance to cover and protect its collection. Copies of such insurance will be made available to the City prior to execution of the Lease. The City reserves the right to require that the City be named an additional insured on the GAR policy and to require certain policy limits on that coverage, and to reevaluate the amount of coverage provided over the term of this Lease.

The GAR agrees to indemnify and hold the City harmless from any and all liability or cause of action which may arise as a result of the use of the Premises by the GAR. The GAR agrees that as part of this indemnification, it will defend the City against any action arising as a result of the GAR's use of the Premises, which defense and indemnification will include the payment of any legal fees and expenses incurred by the City.

CITY OF SCRANTON

ATTEST:

BY _____
City Clerk DATE

BY _____
Mayor DATE

BY _____
Solicitor DATE

BY _____
City Controller DATE

G.A.R. MEMORIAL ASSOCIATION:

BY _____
DATE

BY _____
DATE

BY _____
DATE

BY _____
DATE



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

October 25, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

OCT 26 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A LEASE AGREEMENT WITH GAR MEMORIAL ASSOCIATION ("GAR") TO EXTEND THEIR CURRENT LEASE WHICH IS SET TO EXPIRE ON NOVEMBER 28, 2017 FOR AN ADDITIONAL YEAR FOR A PORTION OF THE BASEMENT OF CITY HALL TO BE USED AS EXHIBIT AND MEETING SPACE.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 65, 2016, AN ORDINANCE ENTITLED "GENERAL CITY OPERATING BUDGET 2017" BY TRANSFERRING \$14,499.00 FROM ACCOUNT NO. 01.401.13090.4299 (NON-DEPARTMENTAL EXPENDITURES CONTINGENCY) TO ACCOUNT NO. 01.020.00000.4201 (OFFICE OF THE CITY CLERK/CITY COUNCIL-PROFESSIONAL SERVICES) TO PROVIDE SUFFICIENT FUNDING FOR THE PAYMENT OF FINANCIAL OBLIGATIONS THROUGH THE 2017 BUDGET PERIOD.

WHEREAS, it is in the best interest of the City of Scranton that these funds are transferred to provide sufficient funding for the payment of financial obligations through the 2017 budget period.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that File of the Council No. 65, 2016 be amended by transferring funds as follows:

FROM:

ACCOUNT NO.	AMOUNT
01.401.13090.4299	
Non-Departmental Expenditures	
Contingency	\$14,499.00
TOTAL FROM	\$14,499.00

TO:

01.020.00000.4201	
Office of the City Clerk/City Council	
Professional Services	\$14,499.00
TOTAL TO	\$14,499.00

The purpose of this transfer is to provide sufficient funding for the payment of financial obligations through the 2017 budget period.

SECTION 1. In all other respects, File of the Council No. 65, 2016 shall remain in full force and effect.

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect

any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 3. This Ordinance shall become effective immediately upon approval.

SECTION 4. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4226

October 23, 2017

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

Please prepare an Ordinance for Scranton City Council amending File of the Council No. 65, 2016 (2017 Operating Budget), by transferring funds as follows:

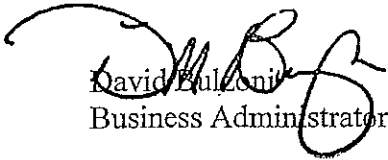
1. FROM:

Account #01.401.13090.4299	
Non-Departmental Expenditures	
Contingency	\$14,499.00

TO: Account #01.020.00000.4201	
Office of the City Clerk/City Council	
Professional Services	\$14,499.00

The purpose of this transfer is to provide sufficient funding for the payment financial obligations through the 2017 budget period.

Very truly yours,


David Bulzoni
Business Administrator

DMB:nmk

Encls.

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Becky McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

October 25, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

OCT 26 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 65, 2016, AN ORDINANCE ENTITLED "GENERAL CITY OPERATING BUDGET 2017" BY TRANSFERRING \$14,499.00 FROM ACCOUNT NO. 01.401.13090.4299 (NON-DEPARTMENTAL EXPENDITURES CONTINGENCY) TO ACCOUNT NO. 01.020.00000.4201 (OFFICE OF THE CITY CLERK/CITY COUNCIL-PROFESSIONAL SERVICES) TO PROVIDE SUFFICIENT FUNDING FOR THE PAYMENT OF FINANCIAL OBLIGATIONS THROUGH THE 2017 BUDGET PERIOD.

Respectfully,

Jessica Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2017

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 65, 2016, AN ORDINANCE ENTITLED "GENERAL CITY OPERATING BUDGET 2017" BY TRANSFERRING \$200,000.00 FROM ACCOUNT NO. 01.401.13090.4299 (NON-DEPARTMENTAL EXPENDITURES CONTINGENCY) TO ACCOUNT NO. 01.051.00082.4448 (DEPARTMENT OF LICENSING, INSPECTIONS & PERMITS -BUREAU OF BUILDINGS PAWC-WATER) TO PROVIDE SUFFICIENT FUNDING FOR THE PAYMENT OF PAWC-WATER INVOICES THROUGH THE 2017 BUDGET PERIOD.

WHEREAS, it is in the best interest of the City of Scranton that these funds are transferred to provide sufficient funding for the payment of PAWC-Water invoices through the 2017 budget period.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that File of the Council No. 65, 2016 be amended by transferring funds as follows:

FROM:

ACCOUNT NO.	AMOUNT
01.401.13090.4299 Non-Departmental Expenditures Contingency	\$200,000.00
TOTAL FROM	\$200,000.00

TO:

01.051.00082.4448 Department of Licensing, Inspections & Permits Bureau of Buildings PAWC-Water	\$200,000.00
TOTAL TO	\$200,000.00

The purpose of this transfer is to provide sufficient funding for the payment of PAWC-Water invoices through the 2017 budget period.

SECTION 1. In all other respects, File of the Council No. 65, 2016 shall remain in full force and effect.

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect

any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 3. This Ordinance shall become effective immediately upon approval.

SECTION 4. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

October 23, 2017

Jessica Boyles, Esq.
City Solicitor
Municipal Building
Scranton, PA 18504

Dear Attorney Eskra:

Please prepare an Ordinance for Scranton City Council amending File of the Council No. 65, 2016 (2017 Operating Budget), by transferring funds as follows:

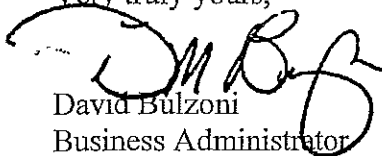
1. FROM:

Account #01.401.13090.4299	
Non-Departmental Expenditures	
Contingency	\$200,000.00

TO: Account #01.051.00082.4448	
Department of License & Inspections	
Bureau of Buildings	\$200,000.00
PAWC-Water	

The purpose of this transfer is to provide sufficient funding for the payment of PAWC- Water invoices through the 2017 budget period.

Very truly yours,


David Bulzoni
Business Administrator

DMB:nmk

Encls.

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Patrick Hinton, LIPS Director
Becky McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

October 25, 2017

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED
OCT 26 2017

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 65, 2016, AN ORDINANCE ENTITLED "GENERAL CITY OPERATING BUDGET 2017" BY TRANSFERRING \$200,000.00 FROM ACCOUNT NO. 01.401.13090.4299 (NON-DEPARTMENTAL EXPENDITURES CONTINGENCY) TO ACCOUNT NO. 01.051.00082.4448 (DEPARTMENT OF LICENSING, INSPECTIONS & PERMITS -BUREAU OF BUILDINGS PAWC-WATER) TO PROVIDE SUFFICIENT FUNDING FOR THE PAYMENT OF PAWC-WATER INVOICES THROUGH THE 2017 BUDGET PERIOD.

Respectfully,

Jessica Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl